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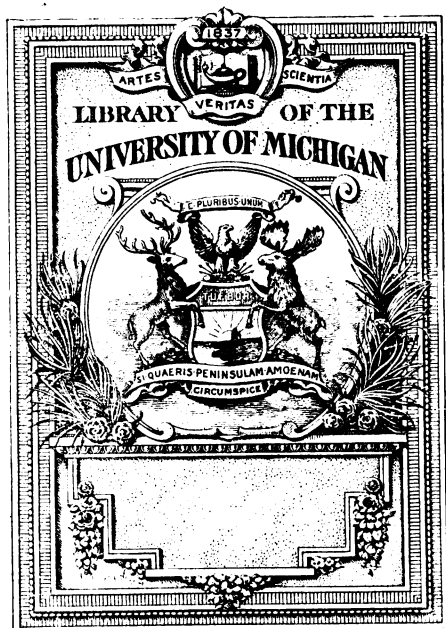
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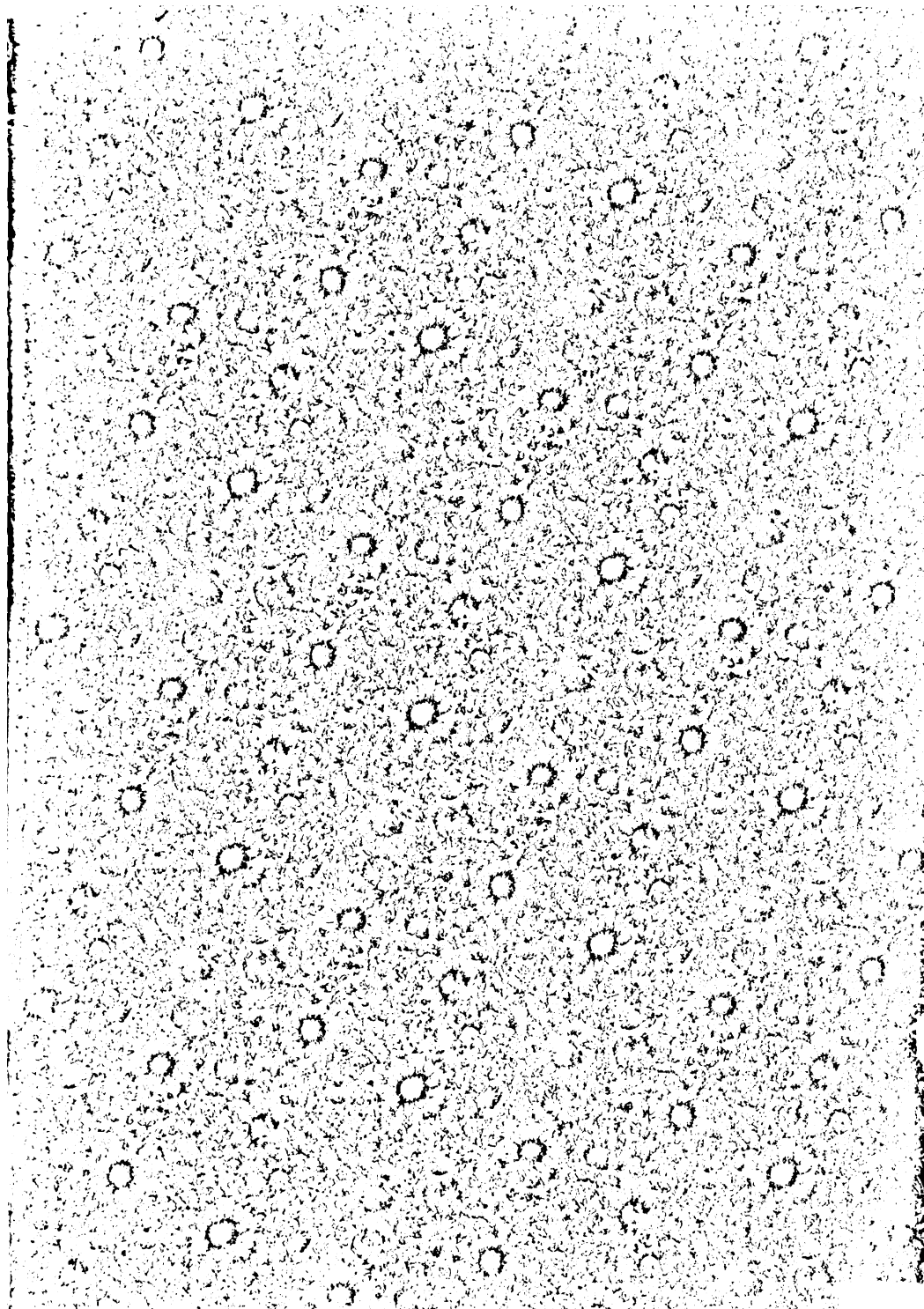
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Hardware Store Business Methods

NEW AND ENLARGED EDITION

COMPILED AND EDITED BY R. R. WILLIAMS
Hardware Editor of *The Iron Age*

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The articles which are gathered together in this volume have been, together with many others on similar topics, already published in THE IRON AGE. The authors are for the most part practical and progressive Hardware merchants, whose contributions to the discussion of approved methods deserve to be presented in a permanent form convenient for reading and reference. The thorough and practical treatment of the important subjects discussed, the embodiment in these articles of the experience of men of ability and enterprise, the suggestiveness of the principles and maxims thus presented, will, it is hoped, render the volume useful to many and tend to elevate still further the business methods of the Hardware trade.

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Rules and Regulations for the Hardware Store.

ADOPTED AND USED BY A PROMINENT WESTERN HOUSE.

RULE 1. Keep your eyes on the front door. Customers should be waited on promptly and pleasantly.

2. Wait on children as politely as you do on grown people. They are our future customers

3. Salesmen, when disengaged, will take position near the front door, instead of the back. Customers do not come in at the rear.

4. Don't stand outside the front door when at leisure. It is an excellent notice to competitors and customers that trade is dull.

5. Salesmen are paid for waiting on customers, and are not expected to turn them over to the boys, or new men who are learning the business, while they busy themselves arranging or putting away goods.

6. Don't take a customer away from another salesman until he is through with him.

7. Don't turn a customer over to another clerk, if possible to avoid it, except for the dinner hour.

8. *Go for business* in every direction ; in the store or out of it ; wherever you see a chance to make a sale, work for it with all your might. RUSTLE !

9. Salesmen will sell at marked prices. Do not go to office for a cut price. It always makes trouble.

10. At retail the dozen price is to be allowed only when the customer takes a half dozen of each kind, or

more. Less than half dozen, in all cases, to be at price for each.

11. Sorting up a line of goods allowed to make the quantity, the highest dozen price of the lot to be charged, when a half dozen or more are bought.

12. Clerks of other dealers are to be charged regular retail prices. If the houses they work for buy the goods for them it is a different matter.

13. Don't send a customer up stairs or down by himself.

14. Salesmen will avoid the responsibility of trusting customers whose credit is unknown to them by referring all such cases to the manager. Extending credit without authority makes the salesmen responsible for the amount.

15. In opening a new account get the business and post office address of the customer correctly.

16. Never show a price-list to a customer; it confuses him, and he thinks he is paying more than he should when he sees the three columns of prices.

17. Salesmen are expected to sell the goods we have, not the goods we have not.

18. Salesmen are responsible for their mistakes and any expense attending their correction.

19. Always charge goods first in the day books. Make out the bill from the charge *in* the book. Make this an invariable rule.

20. If you have a charge to make, enter it before waiting on another customer; your memory is apt to be defective and the sale forgotten before it is entered.

21. All cash bills over \$5 enter in your sales book.

22. Make your charges accurate in detail or description by number, size, etc. By so doing it facilitates correction in case of dispute with the customer.

23. Close your entry books after making entry. Valuable information may be stolen by competitors.

24. Clerks receiving change from the desk will count the same and see if correct before handing it to the customer. Always hand the cash memorandum with the money to the cashier.

25. If you know of an improvement of any kind, suggest it at once to the manager; it will be impartially considered.

26. Keep retail stock full and complete on the shelves, so as to avoid detaining customer. Notify each man in charge of a division when you find anything short in it.

27. Always put the stock in order when through waiting on customers.

28. Always wipe off cutlery with chamois before putting away.

29. Each clerk is expected to see that his department is kept clean and in perfect order.

30. In arranging goods, put the smallest to the front; when the same size, cheapest to the front.

31. Use the early part of the day and the last hour before closing in sorting and straightening up.

32. Prices are *not* to be cut. Report every cut price by other firms to the manager after the customer is gone, unless he is a well known and regular customer, in which case report at once.

33. Do not smoke during business hours, in or about the store.

34. Employees are requested to wear their coats in the store. It is not pleasant for a lady to have a gentleman waiting on her in his shirt sleeves, or with his hat on.

35. Employees are expected to be on hand promptly at the hour of opening.
36. Do not leave the store by the rear door.
37. Employees will remain until the hour of closing, unless excused by the manager.
38. The company will ask of you as little work after regular hours as possible. When demanded by the necessities of business, a willing and hearty response will be appreciated.
39. If an employee desires to buy anything from stock, he must buy it of the manager; in no case take anything without doing so.
40. In purchasing for individual use around town, under no circumstances use the name of the company as a means to buy cheaper.
41. Employees pay for whatever they damage; they are placed on their honor to report and pay for it.
42. Goods and tools (new or old) must not be lent; it kills the sale for them. Refer all borrowers to the manager. Who goes into a clothing store to borrow a shirt, or to a grocer to borrow sugar?
43. Never use new tools.
44. When through using the store tools, put them back in the place they belong.
45. Employees using bicycles will keep them in the cellar or in the back yard; they must not be left where they will cause inconvenience.
46. Conversation with the bookkeeper, or the cashier, except on business, interferes materially with the work. Do not forget this.
47. Clerks, when on jury duty, have the privilege of turning in their fees or having the time absent deducted from their wages. Drawing a salary for

their services, the company is entitled to their time, or its equivalent.

48. Any goods sent out to be repaired must be entered in the book kept for that purpose, and when returned reported at the desk and the charge canceled.

49. Watch the ends of stock, make as few as possible, and always work them off first, to keep the stock clean.

50. Keep mum about our business. Always have a good word to say for it and never say it is dull. Keep your eyes and ears open about your competitors.

51. One hour is allowed employees for meals.

IT WILL PAY YOU TO LEARN THE FOLLOWING BY HEART.

Toward customers be more than reasonably obliging; be invariably polite and attentive, whether they be courteous or exacting, without any regard to their looks or condition; unless, indeed, you be more obliging and serviceable to the humble and ignorant.

The more self-forgetting you are, and the more acceptable you are to whomsoever your customer may be, the better you are as a salesman. It is your highest duty to be acceptable to all.

Cultivate the habit of doing everything rapidly; do thoroughly what you undertake, and do not undertake more than you can do well.

Serve buyers in their turn. If you can serve two at once, very well; but do not let the first one wait for the second.

In your first minute with a customer you give him an impression, not of yourself, but of the house, which is likely to determine, not whether he buys of *you*, but whether he becomes a buyer of the house or a talker against it.

If you are indifferent, he will detect it before you sell him, and his impression is made before you have uttered a word. At the outset you have to guess what grade of goods he wants, high priced or low priced. If you do not guess correctly, be quick to discover your error, and right yourself instantly; it is impertinent to insist upon showing goods not wanted. It is delicately polite to get what is wanted adroitly on the slightest hint.

Do not try to change a buyer's choice, except to this extent: Always use your knowledge of goods to his advantage, if he wavers or indicates a desire for your advice. The worst blunder that you can make is to indicate in a supercilious manner that we keep better goods than he asks for.

Show goods freely to all customers; be as serviceable as you can to all, whether buyers or not.

Sell nothing on an understanding; make no promises that you have any doubt as to the fulfillment of, and having made a promise, do more than your share toward its fulfillment, and see that the next after you does his share, if you can.

Never run down your competitors to customers. By so doing you advertise them. It won't pay you to get trade in that way. Competitors can talk back.

To sum up and put this whole matter in a few words: Attend strictly to business when on duty; be invariably polite and obliging to every one, not only for the benefit of the company, but for your own good. Remember that civility, while it may be one of the scarcest articles in the market, is also one of the cheapest, and the net profit on it to you, in the end, will be greater—not only from a social and moral point of view, but in dollars and cents—than on anything else you may have to offer a customer. R.

The Hardware Buyer.

Good buying is an essential requirement of every business. Unless goods are well bought, there can be no permanent success in trade. The most skillful management of all other departments of a firm cannot counteract the effects of careless buying. "Goods well bought are half sold" is eminently true. This subject may be divided as follows:

1. To have a thorough knowledge of the goods to be bought.
2. To know the wants of the business.
3. To be posted as to the market.
4. Good financial standing.
5. Buying proper, and intercourse with salesmen.

Each of these subdivisions will be discussed under their respective headings.

Knowledge of Goods.

A buyer to be successful must have a thorough knowledge of the goods he buys, to be able to determine at once whether goods offered him are of such quality, pattern, etc., as will warrant him in purchasing. Should the buyer be wanting in knowledge of goods the seller will not be slow in detecting it, and in nine cases out of ten will take advantage of it in selling him goods that an expert Hardwareman would not buy. For this reason no one should be appointed as buyer who has not had good experience in handling and selling such goods as he is expected to buy. The office of buyer is an important one and should not be

intrusted to a novice in business; if it is, it will be a very costly experiment to the firm.

The Wants of the Business.

The buyer should, if possible, sell goods and come in contact with the customers of the house. If this cannot

be done, for want of time or any other reason, he should frequently get the opinion of the most intelligent salesmen of the house as to the character of goods in demand, classes of goods going out of date, season for selling certain goods and all other information pertaining to articles wanted. He should also inform himself of profits realized on different classes of goods.

WANT BOOK.—There should be kept in a convenient place a want book, accessible to every one in the house, and all goods that are out, or getting low, or called for by customers, entered therein, as shown in Fig. 1.

Tea Scales
 Check Valves $3/4$
 Lt. Strap Hinges $4 \frac{1}{2}$
 " " " " $6 \frac{1}{2}$
 Boiler Rivets $5/8 \times 1 \frac{1}{2}$
 Emery Wheels $1 \frac{1}{2} \times 1 \frac{1}{2}$
 Round Iron $2 \frac{1}{4}$ in
 " " " " 1 "
 Seat Springs
 Thumb Screws 3×9
 Pad Locks 000
 " " " " 3
 Wagon " Bow
 Broad Axes
 Blue Carpet Chalk
 Wagon King Bolts
 Log Chains $5/16$
 Fly Pans $\# 4 \times 6$
 Zinc Oiler all numbers
 Steam Pipe $3/4$
 Reamers & Taps
 Mal. Claws $\# 29$

Fig. 1.—Page from Want Book.

ANNUAL SALES BOOK.—There should also be kept an annual sales book, Fig. 2.

	On hand July 1st. 1896	BOUGHT.												TOTAL	On hand July 1st. 1897	SOLD.
		July.	August.	September.	October.	November.	December.	January.	February.	March.	April.	May.	June.			
<i>Bills</i>	1						2		2	3	3	2		7	1	6
	2						2		2	3	3			16	2	14
	3			2						3				11	2	9
	4			2							2			5	1	4
<i>Woods</i>	5													1	1/3	2/3
	6			1/2					1/2			1/2		1 1/2	1/3	1/3
	7			1/2					1/2			1/2		1 3/4	1/2	1/3
	8			1/2					1			1/2		1 3/4	1/3	1/6
	9								1 1/2					2	1/3	1/2
	10													2	1/3	1/6
	11													2	1/3	1/6
	12													2	1/3	1/6

Fig. 2—Annual Sales Book.

In first column the goods are entered in alphabetical order; they can, however, be entered in any other manner, but then an index will be required. The next column ("On hand July 1, 1896") is taken from stock book or inventory. In the next 12 columns the purchases during the year are entered, one column for each month; these purchases are taken from the invoice book. These 13 columns are added and the result put down in the "total" column. "On hand July 1, 1897," will again be taken from stock book. Subtract stock on hand from total, which result will be the annual sales of each article.

This book can be adapted to any business—if stock is taken January 1 or every six months, the form of ruling and printing can be changed to suit.

It requires some work to get up a book of this kind; it can be done, however, when business is dull, by any intelligent clerk; it need not be made at once, but an hour put in now and then will soon do it.

Where time cannot be spared to do this, or where the variety kept is very large, the small goods and odds and ends may be omitted and only the most important goods entered, especially such as have to be bought in large lots and but once or twice a year. With the assistance of customers' or salesmen's opinions, want book and annual sales book, the buyer will have a good general knowledge of the wants of the house.

All of the above refers to buying for an established business house. Where the buying is to be done with a view of starting in business the guides, in the form of want and annual sales book, would be missing and in their place the buyer should make a careful study of the wants of his prospective customers—should see

what classes of goods are used, and it would be good policy to obtain the assistance of some honest, wide-awake and intelligent man who has had an opportunity to know the wants of the people in that section. In buying a stock of this kind great care has to be taken not to buy too many of such goods where there is considerable uncertainty about their selling qualities. Staples may be bought more freely, but as a general rule it is best to feel the way. After business is opened and goods sold, it is easy enough to add from time to time such articles as are in demand, and extend lines where a limited assortment had been bought.

CONSULT WANT BOOK.—The buyer should frequently consult the want book to see what goods are getting short. This book should not be used, however, to make an order from, nor should every article on the book be ordered—he should consider the entries merely as reminders that certain goods are getting low. If there is on the want book Narrow Wrought Butts, 3 inches, he should not buy or order 24 dozen Narrow Wrought Butts, 3 inches, but he should look over the stock of Wrought Butts and similar goods and sort up on the whole line, provided there is enough wanted to make an order.

When goods found on want book are ordered draw a line through such entries, and let the other entries remain until it becomes necessary to order another line of goods, when they are treated in the same way.

Specimen page, Fig. 1, shows appearance of want book after all the Hardware on that page has been ordered.

INFORMATION FROM ANNUAL SALES BOOK.—The annual sales book will give the buyer general informa-

tion concerning quantity to buy, and as purchases are regulated by sales, by comparing the quantities sold in the different years he can note the decrease or increase in sales of different articles, and in this manner the annual sales book is also of great service to the sales department of the firm, as when sales of an article decrease it becomes necessary to look up the cause of such a decrease. If this cause is legitimate and the decrease in sales cannot be prevented and continues, it may become necessary to drop the goods altogether. In this case the annual sales book will give reliable information whether sales justify keeping an article or a line of goods or not.

In consulting the annual sales book allowance should be made for difference in reasons, scarcity or abundance of money in hands of customers, etc. If in a mild winter only 20 pairs of Skates are sold, and the next winter sets in early and severe, it is not out of reason to order 40 or 50 pairs.

To Be Posted as to the Markets.

The buyer must make the markets a special study, which is not difficult, as there are published in the United States a number of excellent trade papers. It will be well not to depend on one paper alone, but subscribe for several. By comparing the different market reports it will be easy enough to find the best market for any particular line of goods. Another source of information will be found in the circulars and catalogues sent out by the jobbers and manufacturers. The circulars, catalogues and discount sheets should be properly classified and filed in a manner to be easy of access. In addition to this there should be

a price book kept, where all quotations and special prices given are recorded as received.

There are several good methods of taking care of this class of trade literature, which are illustrated in *The Iron Age*, and to which attention is hereby called. The buyer should adopt such a method as best suits his requirements, and after adoption he must keep it up by carefully adding such literature as may come to him and recording all reliable and low quotations.

The printed circulars received do not always give the lowest selling prices, and to get them it is best to write for prices to two or more houses dealing in goods wanted, specifying approximate size of order. If the buyer's house stands well financially, one or more of the replies will quote bottom prices.

Good Financial Standing.

The buyer's house should be in good financial standing. If the concern he buys for can pay cash for all purchases, so much the better, and in this case the buyer has the best possible lever to obtain the lowest prices. If the firm are not so well situated, they should advise the buyer on what terms to buy. If the time is not over 90 days and the firm pay every bill as it becomes due, all is well.

It is of the greatest importance to meet all bills as they become due. If there is frequent default of payment when due, or additional time asked, it will be impossible to obtain bottom figures on purchases.

Suggestions About Buying.

GENTLEMANLY DEPARTMENT.—The buyer should be polite and gentlemanly, listen to what the seller has to say, note his prices, etc. He should let the seller do

most of the talking and keep his own business to himself. He should not give away prices made by other houses, nor seem very eager to buy, even if low prices are given. The seller thus having no pointer and knowing the buyer to be well posted, will be more apt to give the lowest prices than if he had been permitted to feel his way.

The relation between buyer and seller should be friendly and truthful. If no goods are wanted at the time, the seller should be informed of it in a courteous manner.

DEPEND ON YOURSELF.—The buyer should take all of the seller's talk with a good deal of allowance, and must draw his own conclusions. The salesman's business is to sell, but the buyer should know his own wants better than the man he is buying from. The salesmen frequently urge goods that are not desirable. Remember that their interests are different from yours.

PREFERENCES.—Everything else equal, give houses the preference in buying whose goods come in the best shape, who fill orders promptly, make few errors and are willing to correct errors if they occur.

DON'T CUT UP PURCHASES of the same goods. It is best to make purchases from any house as large as possible. Better prices and terms may be had from a house where your purchases amount to \$3000 annually than if bought at three houses at \$1000 each.

NOT NECESSARY TO GO TO MARKET or to wait for a drummer to call. The Hardware jobbers and manufacturers keep the trade so well informed as to prices, new goods, etc., that there is no need to wait for a salesman or to go to market, and goods should be ordered as needed. On some classes of goods, as Cut-

lery, etc., you may write for samples, and very good selections can be made in this manner.

OFFERING A LOWER PRICE for goods than is asked is not to be recommended. As a rule, the deduction granted is put back on the balance of the bill. For the same reason the buyer should not ask for a present, as is done frequently.

In most cases it is best not to buy when goods offered are too high in price. Exception to this may be made when the goods wanted are only to be had from one house. If it is known that the price asked is too much, then an effort may be made to get them for less.

BAIT.—When a seller offers a bait in the way of extremely low prices, take him up, but do not give him an opportunity to make his loss good by charging you more for other goods.

DO NOT ACT AS IF EVERY PRICE GIVEN YOU IS VERY HIGH—it does not pay. If the seller knows he is offering you goods at reasonable prices, he will be ill disposed to show you any favors in the way of information or otherwise.

DON'T BUY FOR FRIENDSHIP'S SAKE if your friend doesn't act as a friend by selling you goods as low as any one else. Everything equal, of course give him the preference.

QUANTITY DISCOUNT.—Unless goods are difficult to obtain or difference in price is large, it is best to buy in smaller quantities and oftener.

When there is a considerable discount for large quantities the buyer should figure whether the quantity of goods thus bought can be disposed of in time to justify him in buying such a large quantity. The annual sales book will be a good guide in this matter.

An extra 5, 7½ or 10 per cent. may appear very tempting, still if the goods bought should be on hand for perhaps one year there would be no profit in the transaction, as interest, storage, insurance, etc., would be more than the extra discount. If the goods in question are staples and can be sold readily advantage should be taken of such extra quantity discount. However, there should be no guesswork, but be made a matter of figures entirely, and it can be calculated with a good degree of accuracy.

PATTERNS AND STYLES CHANGE.—If an article is to be had that is cheaper and better than goods kept before and serves the same purpose, buy, but be satisfied that your customers will take the same view.

ASSORTMENT.—As a general rule it is better to have a good assortment in each line than to have a large number of lines, and each one ill assorted. Don't try to keep a little of everything, but keep the stock pretty well assorted all the year around.

FREIGHTS from place of supply should be considered in comparing prices of different houses.

BUY WHAT YOUR CUSTOMERS WANT in preference to your own taste or choice.

CHEAP GOODS.—If in demand buy them, but also keep medium and better grades of goods even if they are slow sale, and if possible let not the business drift into the "cheap John" class.

NOTE THE SEASONS when certain staples are lowest in price and buy, provided the goods need not be kept too long before sales commence.

SEASON GOODS—*i.e.*, goods that sell only during a limited period each year—should be on hand in good time, especially if there is some difficulty in obtaining them in the rush later on—*viz.*, Stoves, Steel Goods,

etc.; but don't buy when the season is nearly over. Better miss a few sales than carry a lot of goods over.

ADDING NEW GOODS TO STOCK.—Great care should be taken in buying goods not kept before. It should be well considered whether a sufficient amount of such goods can be sold, and if profits from sales will justify this departure. If it is decided to buy, get a fair assortment and a moderate stock and increase stock and assortment as trade requires.

RISING MARKET.—Goods may be bought more freely when there are indications of an advance in price or scarcity of such goods. Still, this should not be overdone. Buy enough to pull through the period of such rise of prices or scarcity of goods, so as not to have too large a stock when the decline sets in. To do this properly requires a good deal of study of the law of supply and demand and of the markets. It is best to buy sparingly when goods are much above the average price.

SPECULATION.—To buy a large lot of goods greatly in excess of your wants, on the supposition of a probable rise in price, partakes of the character of speculation, and is not in accordance with conservative business principles.

COMBINATIONS.—When goods are high on account of trusts or combinations buy as little as possible, so as not to have a lot of such goods on hand when the combination goes to pieces, which it is bound to do sooner or later.

Goods "JUST OUT."—Care should be taken in buying them, especially if they are held at a high price. The buyer must consider if his customers would be willing to pay this price. If he believes they will and that the goods will "take," and especially if he can

get the exclusive sale of such goods in his locality, he may safely invest in them.

EXCLUSIVE SALE.—Whenever it can be done, the buyer should try to get the exclusive sale in his locality on certain classes of desirable goods. This is an advertisement for the business, draws trade and prevents cutting of prices. The goods so bought should be serviceable and of good quality and reputation.

C. T. R.

Good Buying.

Good buying makes easy sales, and a buyer who can purchase the most goods of a specified quality for the least money is one of the most important factors necessary to the success of any business. By his efforts he puts his house in a position to successfully compete for trade—at least, so far as prices are concerned.

To simply place an order is an easy matter—any person can do it, but to know just what, when, where, at what price and terms and how much to order to best advantage requires ability and experience. A good buyer must not only possess a perfect knowledge of the demands of his own business; he must also keep pace with the industries tributary to it.

The difference in location, size and class of a business has so much to do in guiding a buyer in his purchases that it is impossible to formulate a code of rules that will not have to be modified, more or less, in their details to be adaptable to any particular business. It will therefore be the object of this article not to prescribe rules useful in any particular business, but rather to suggest principles and trust to the reader's intelligence to modify them to best suit his requirements.

For the sake of clearness, we will consider the different steps necessary to every purchase, in their usual order, commencing at the creation of the want to the final payment of the bill. The first step to decide in any purchase is what to buy.

STAPLE GOODS.—Keep as perfect a stock as possible of the staples the trade demands. What this demand is each buyer must decide by observation and experience. For instance, while a complete stock of Sandpaper is a necessity to the buyer in a manufacturing center, it would be "dead stock" to a country dealer. A buyer must adapt his purchases to the size, location and class of his business.

NEW GOODS.—Do not buy every new fangled article that is placed on the market. Make it a point, however, to secure and keep for easy reference any catalogue, circular or quotation relative to it, so that in case a customer asks for it his wants can receive proper attention.

Before ordering a new article careful consideration should be given to the class of the buyer's trade, the character of the house selling it and the recommendations showing forth its merits. A new article, well recommended by its users, sold by a reputable house, and in the judgment of the buyer suitable to his trade, will generally prove good stock.

WANT CARDS.—When a department is in need of any particular article, the use of a card similar to the one illustrated in Fig. 1 will prove valuable.

These cards are preferable to a book for three reasons:

1. The salesman can carry them in his pocket, and can fill them out wherever he happens to be.
2. Being on a separate card, the order receives better attention than if entered in a book. A card can be sent to the buyer at once; a book at stated times, or the buyer must take time and copy from it.
3. By the use of a pigeon hole within easy reach all unfilled orders can be kept in compact form. As soon

as an order is filled the card is filed for future reference.

How Much to Buy

Is a question that at times requires careful consideration. It may, however, be treated under three heads, as follows:

GOODS THAT ARE REGULAR STOCK.—In case of regular stock it is a good rule to keep enough stock on

JOHN DOE HARDWARE COMPANY.

Department Order.

Chicago, Ill.,....., 189

To Stock Clerk :

My department is in need of.....

.....

Your prompt attention is desired.

(Signed).....

By.....

Date filled,....., 189

Fig. 1.—Want Card.

hand to last at least three times the length of time generally necessary to get the goods after the order is placed. By following this rule the buyer gives himself ample time to solicit prices and avoids unnecessary expense and trouble incurred by telegraphing and unusual delays in filling the order. In addition to this, the stock is always bright and new.

NEW GOODS AND SPECIAL WANTS.—In ordering new goods with a view to making them regular stock, it is a safe plan to order sparingly at first. If they prove poor sellers, then the loss is not great. A still better plan is to order the first lot on trial. If they are a success, order again. If not, return the goods to the seller.

When a customer desires an article not in regular demand, take his order and buy just what it calls for and nothing more. Be careful, however, to keep a perfect record of the purchase, so that in case it is called for a second time it can be referred to promptly. By following this plan, dead stock is avoided and the customer's trade retained.

ORDERING AHEAD OF IMMEDIATE WANTS.—When the price of certain staples has reached an extremely low figure, or when purchasing goods subject to quantity discounts, it is often advisable, in order to get the benefit of the best prices, to order ahead of immediate wants, but as this matter is fully discussed under "Contracts," further reference to it here is unnecessary.

The tact, experience, knowledge; ingenuity, system and judgment of the buyer are in no place of greater value than when exercised in

Securing Good Prices.

Of the many plans for obtaining favorable quotations, the following may be considered of greatest value:

SOLICIT PRICES BY LETTER.—Letters give the buyer command of a large field at little expense and have not the appearance of a mere canvass for prices that a postal card indicates. A letter is less liable to be

overlooked than a card and certainly has more the appearance of business.

State the wants in language both clear and concise; time and trouble in writing a second letter, to explain the first, will then be avoided. Write a half dozen letters to as many first-class firms. Several quotations will be the result. If the purchase is to be large, select the most favorable quotation, lay it aside and reply to the balance about as follows:

GENTLEMEN.—We are in receipt of your quotation of recent date and in reply desire to say that we have received more favorable prices from other parties. If you are inclined to make any concession from your price, we shall be pleased to consider it before placing the order. Awaiting your reply, we are,

Yours respectfully,

Invariably concessions are the result. If they are more favorable than the quotation first selected, this party also should be approached in like manner to the first five. A reply to the last makes it an easy matter to decide where lowest prices can be obtained. Do not be afraid of a few postage stamps—they always pay for themselves many times over.

USE NEAT STATIONERY.—Poor stationery is false economy. In this age of cheap paper and printing it cannot be and is not excused. A buyer cannot afford to use it. The stationery of a business house to-day is an index to the character of the user, almost as reliable as the commercial reports are to his financial standing. Other things being equal, who will receive the better credit, the buyer who uses a letter head neatly printed, or the one who scrawls his wants on a leaf torn from some old blank book? Need we answer?

READ ADVERTISEMENTS.—From the advertisements in *The Iron Age* and other trade papers, in trade directories, on letter heads, salesmen's cards, catalogues, circulars, etc., the buyer obtains the addresses of firms who can meet his wants. Read them carefully. To them the buyer must look for changes in price-lists and markets, for improved methods of manufacture, and the establishment of new firms. Index and file them for future reference. Keep a classified list of the goods liable to be ordered, and under each article record the names of all the firms in a position to supply it. When in need, it becomes an easy matter to address letters of inquiry for prices.

KEEP A RECORD OF QUOTATIONS.—The quotations received are too numerous to trust to memory, and the value of knowing at all times just where and at what prices it is possible to buy is too valuable to be neglected. By some such system the buyer can many times place an order at once, avoiding both expense and delay in first soliciting prices. More than this, it can be used as one of the buyer's most powerful levers in obtaining good prices from traveling salesmen. When a buyer is considering the quotation of a salesman with a view to placing an order, what greater guide can he have than a complete record of quotations made by other parties? The buyer then knows exactly what he can do elsewhere, and unless the salesman can quote a better price there is no inducement to place an order.

TRAVELING SALESMEN.—As a rule drummers work either on a commission or on a salary, the size of which is regulated by the amount of their sales and the hold they have on the trade they visit. When a salesman calls he comes as the representative of his house. To

him has been given authority to quote the lowest prices and terms necessary to secure trade. Through him his house becomes acquainted with the size, character and apparent prosperity of the business houses he visits. He is its agent, and it is guided by his actions.

Both courtesy and business policy demand their treatment as gentlemen, for such they are. Reciprocate their bright "good morning" and extended hand. Be friendly, but do not let it interfere with business. Converse freely with these periodic visitors. They have seen much and in their line can tell much that will prove both interesting and valuable to the buyer.

Owing to the proverbial veracity of the craft, it is well at times to take their statements with more or less salt. But treat them well; show an interest in their welfare, and they will see that yours does not suffer.

When a salesman quotes a price, refer to and see how it compares with previous quotations. If favorable, solicit further concessions, if not in price, then in discounts, length of time, freights, etc. When price is satisfactory, tell him so and thank him for it, and if possible place an order and ask him to call again. Keep his address, and when in position to order direct the letter to him in preference to the house. The salesman appreciates it. He gets credit for the sale and also of having a hold on his trade, and the buyer gets better prices.

If a salesman's price is too high, tell him so. If there is any such thing possible, he will either meet the better price or lower it. His pride in his house and success as a salesman demand it. If he cannot

meet the price, the prestige of his house is at stake. If he betters it he gains a point and generally an order, with prospects of future trade.

Salesmen seldom name their best price first, so never appear anxious to buy. They are generally more anxious to sell than the buyer is to order, and will not lose a sale until they have reached their limit.

There is, perhaps, no better time to get good prices from a salesman than when he has left one house to work for a rival. Here the trite "Competition is the life of trade" becomes a fiction. On the one hand the salesman makes every possible effort to hold his trade, while on the other the business house he has left will not be outdone in its efforts to retain its customer.

The reader can readily see how by a few repetitions of this rule—*i.e.*, require each salesman to notch the price of his predecessor just a little—the bottom price must soon be reached.

PERSONAL VISITS.—Personal visits to the business houses of the manufacturers and jobbers are often helpful to the buyer. By a knowledge of the manufacturing methods and extent of the business of those with whom he deals, a buyer is in a position to both solicit prices and order goods to better advantage than if unacquainted with the manufacturing cost of the articles he buys and the system of the firms from whom he orders.

TELEGRAPHING FOR PRICES.—When done with discretion, telegraphing for prices often proves effective in securing good figures. The receiver understands that a purchase is pending the arrival of his quotation, and that there is no time for dallying, so rather than risk the loss of a good sale and possibly a good customer he quotes his very best price at once.

TAKE TIME.—Always take ample time to solicit prices before placing an order. Ordering at poor prices, expensive telegrams and annoying delays will then be avoided.

CORRESPONDENCE.—Correspondence of all kinds should be answered both courteously and as promptly as possible. Courtesy to the seller and business policy to the buyer demand it. If prices are satisfactory place an order at once ; if not, then simply reply about as follows:

GENTLEMEN.—Your letter of the 24th inst. carefully noted, but prices are too high for us to use at present. We desire, however, to thank you for your quotation, and hope to do some business with you in the near future.
Yours respectfully,

On the receipt of such a letter as the above the seller learns the cause of his failure to make a sale, and in the future will make an effort to quote a better price.

NEW FIRMS.—In their efforts to gain business new firms will, as a rule, cut prices as an inducement for the buyer to deal with them. Before patronizing a new house it is always policy to look well into its character. If satisfied that it will furnish satisfactory goods and “stand by” you when collections are slow and trade dull, give the old house a chance to meet prices. If it cannot do it it is then time to try the new field.

QUANTITY DISCOUNTS.—Where goods are protected by patents or the prices are fixed by a combination of manufacturers, and concessions in price are regulated entirely by the quantity purchased, if the buyer's purchases do not entitle him to the best possible discount

it is generally the best plan to find a jobber whose purchases are large, and who, in order to secure an order, is willing to divide his discount. All jobbers will not do this, but there are those who will. Find them.

COMBINATIONS AND SYNDICATES.—A union of manufacturers for the purpose of holding prices to a given figure seldom lasts long. The firm who produce the finest goods, put them up in the neatest form and have the pleasantest manner in reaching the trade soon begin to secure the best orders. Confederates see their trade losing ground, become dissatisfied and cut prices to get it back. Result, combination breaks. This furnishes one of the best fields for a buyer to exercise his ingenuity in securing good prices.

If your purchases are large, make the fact known. Competition for your trade will be all the sharper and will result in better prices.

FREIGHTS, DISCOUNTS, PACKAGES, ETC.—This is a fertile field for obtaining concessions from already established prices. Where a cut in the original figures would be refused, a concession in freights, discounts and packages can often be obtained. By discretion in this department of his work in gaining allowances for freight, discounts for packages and cash payments, extensions of time and the substitution of larger cash discounts, the buyer can reduce the cost of his goods to a minimum.

One cent is a small sum, yet 1 per cent. on \$100,000 business amounts to \$1000.

PRICES GUARANTEED.—There are many houses who will accept orders and guarantee prices—*i.e.*, they agree to meet any quotation that may be made before the order is filled, quality of course considered. When

contemplating placing an order, this is an important clause for consideration.

CONTRACTS.—So far the suggestions made have been confined mostly to securing good prices for immediate wants. The successful buyer, however, must go still further. He must know when the manufacturer is in position to quote low prices. He must be able to decide when to contract and when not, when to purchase heavily and also sparingly. In other words, he must know the basis of cost to the manufacturer. In most staples this will be found to be the cost of the raw material entering largely into their manufacture. The price of raw material in its turn is governed by the law of supply and demand, and therefore fluctuates from day to day. When prices of raw material have reached an extremely low point, then is the time to buy ahead, either by contract or direct order. If prices are high it is well to go slow and hold back for better prices. The main question to decide before making a contract is, is the price of raw material high or low? This question can only be answered by the comparison of the prices quoted at stated times in the past. The longer the time covered, the safer will be the comparison. It is evident that the best market quotations can be had from the reports contained in some reliable trade paper, but how to record them for easy comparison requires a special form. Experience has shown that a card ruled similar to Fig. 2 serves this purpose to best advantage. To illustrate, let us consider the price of rubber goods, the price of which is generally governed by the price of fine Para. A buyer wants to make a contract for his yearly supply, but before doing so he looks up the price of the raw material to see if the price is such that

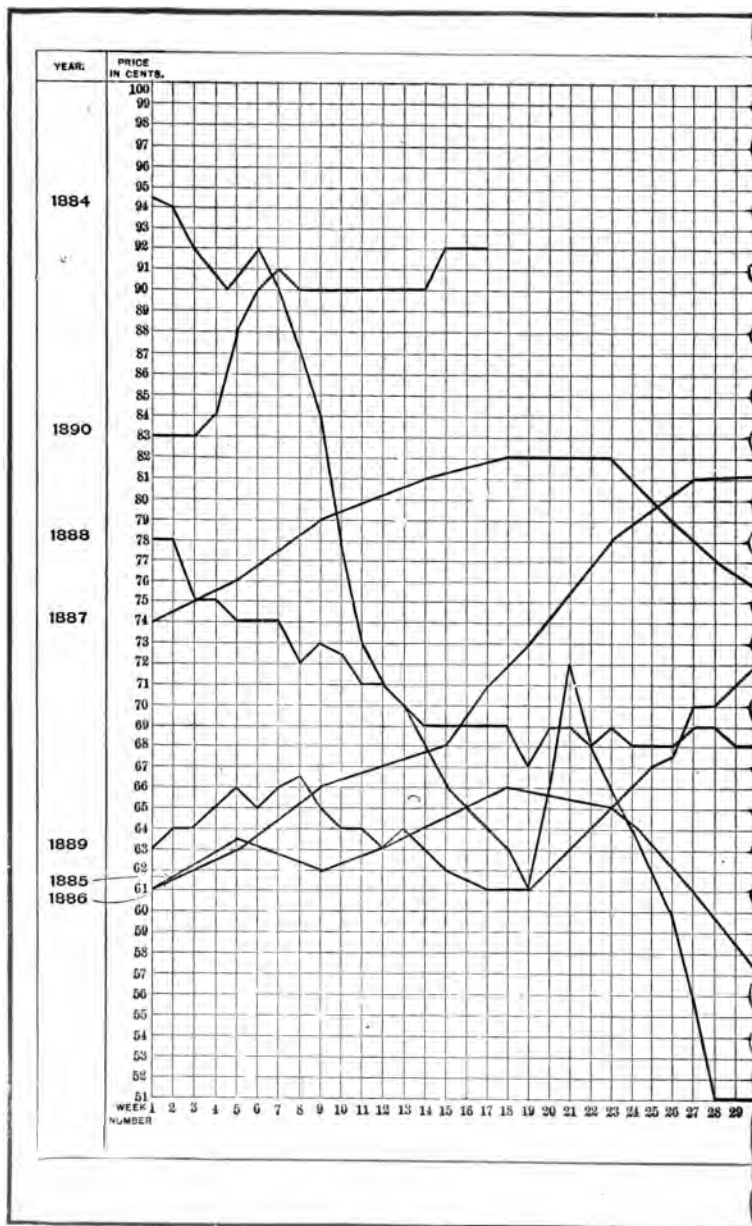


Fig. 2.—Method of Recording Fluctuations in the Market, Illustrated by Price of Rubber.

the manufacturer can make him low figures. All that is necessary to decide whether the contract is a safe move or not is to glance at the diagram, Fig. 2, showing the fluctuations during a series of years.

To record a quotation requires but a minute, as all that is necessary is to make a check mark where the date and price lines intersect and once a year draw a line passing through them, showing the rise and fall in price during the year. The value of these charts to large buyers will be readily seen. If there are likely to be several lines, a different colored ink used each year will prevent confusion of lines.

It will not do, however, to trust to the price of raw material alone in making contracts. Improved methods of manufacture, expiration and issuance of patents, changes in tariff, stocks on hand, supply and demand, must all be considered. Nor is this all; the buyer must be able to forecast the market, or, in other words, from present data infer the future, and in this inference make no mistake. Too great care cannot be given to this department of a buyer's work.

How, When and From Whom to Buy.

USE AN ORDER FORM.—A printed order form, as shown in Fig. 3, has many points of merit.

Embrace in the printing all the points desirable in regular orders. Annoyance from omissions will then be avoided, such as having goods shipped by freight when they should come by express, and *vice versa*.

Be accurate, concise and plain in the statement of goods wanted. If the order is lengthy, classify as much as possible. By so doing the order can be filled promptly and correctly. Keep a correct copy of each

order. In case of error it is then an easy matter to locate the blame.

FAVORING FRIENDS.—The buyer's aim is to get the most goods at the least cost, quality always considered.

JOHN DOE HARDWARE COMPANY.

Chicago, Ill.,....., 189

M.....

Please enter our order for, and ship to us at the above address, merchandise as follows :

.....

Date,.....

Via.....

Terms,

Kindly acknowledge order by....., stating if you can fill same or not and if so, date you will ship Send invoice, accompanied by bill lading, with class, weight, the number of pieces and rate inserted.

Yours truly,

John Doe Hardware Company.

Per.....

Fig. 8.—Order Form.

The seller who can meet this requirement is entitled to the order and justice awards it. If he happens to be a friend, so much the pleasanter.

PATRONIZING HOME INDUSTRIES.—All other conditions equal, it is a buyer's duty to patronize firms located in the territory from which he derives his trade. By so doing he contributes to the prosperity of his own business.

SALESMAN *vs.* THE HOUSE.—A buyer will generally find it to his advantage to place an order with a salesman in preference to the house. As already stated, his salary depends on the amount of his sales and the hold he has on his trade, and rather than lose the credit of the order he will generally make his best possible price.

ORDERING BY TELEGRAPH.—When goods are wanted at the very earliest possible moment the best results can be had by telegrams. Any letter, however worded, does not seem to produce the immediate results that accompany the telegram. When it is necessary to telegraph to any extent a telegraph code should be adopted.

SAME AS LAST.—This little phrase, when properly used, saves much time for the buyer. When goods are wanted promptly, it is safer to refer to the exact date and call attention to the essential points to be observed, otherwise the wrong goods may be sent and annoying delays result.

BUSINESS PERIODS.—There are certain times of the year when there is a greater demand for certain articles than at others. The buyer must learn to figure on these and place his orders before the demand begins to affect prices.

PRICE, FREIGHTS AND DISCOUNTS.—Before placing an order, the terms of settlement should be mutually understood. Be sure to get the benefit of the lowest

possible freight classification. If water freights are an object, they should be considered.

Record of All Orders.

It is often desirable to refer to an article and find out how an order is progressing; how much to order to last a specified time, how long it takes to get goods after the order is placed, what they actually cost, etc. For this purpose, a book ruled with horizontal lines to carry what is written and enough vertical lines to accommodate the headings here mentioned, which may be more or less abbreviated to shorten up, is used.

The parallel columns may be headed as follows:

Article,	Kind,
Number,	Date Ordered,
Ordered From,	How Ordered,
Quantity,	Price,
Terms,	Acknowledged,
Promised,	Hurry,
Date Invoice,	Received From,
Quantity,	Pieces,
Price,	Terms,
Via,	Freight Rate,
Freight Paid,	Disposal,
Received,	Date Used.

The book should have an index for quick reference. By maintaining such a book information about any particular order is always accessible.

Pressing Wants.

Urgent orders demand the buyer's constant attention. He must make every effort to get his goods at

the earliest date possible. For keeping such orders constantly under notice no better plan can be used than to keep a card similar to that illustrated in Fig. 4.

PRESSING WANTS.

[illegible]

Fig. 4—Card for Noting Pressing Wants—Size, $4\frac{1}{2}$ x 12 Inches.

This card can be hung up or otherwise kept in sight on the buyer's desk. When an urgent order is placed it is noted on the card; when filled it is then crossed out. By this plan the buyer has a complete list of all pressing unfilled orders where it cannot be lost and yet where it is constantly under his notice.

Receipt of Goods.

Be sure and get all a bill calls for in quantity as well as quality. It is a poor purchase where 100 pounds are paid for and only 95 pounds received, or where first-grade goods are paid for and second-grade received. To avoid errors of this kind, and also furnish a convenient report of goods received for use in

checking bills, a form similar to the following, Fig. 5, can be used to advantage:

JOHN DOE HARDWARE COMPANY.

Received.

Chicago, Ill., , 189

From.....

.....

Via.....

MEMORANDUM.	DISPOSAL.
.....	
.....	
.....	
.....	
.....	
.....	

Received by.....

Fig. 5—Receipt of Goods.

Payment of Bills.

Before a bill is "O. K.'d," too much care cannot be taken in seeing that the quantity and quality tally correctly with the report of goods actually received, that the proper list prices are used, that the calculations are correct, that the time discounts, rebates, allowances for freights, packages and cash payments and other terms of settlement are as agreed. If there is an error, report it at once. It is much easier to

adjust these differences at once than to wait 60 or 90 days.

After a bill is "O. K.'d," see that it is paid the exact date it is due, not a day earlier or later. A seller will quote better prices and offer better terms to hold the trade of a buyer who attends well to this matter. His trade is more desirable than that of the one who is careless in his settlements. If the bill is subject to a cash discount, do not wait several days over time before taking advantage of it. If collections are slow, and it is impossible to pay a bill when it is due, do not neglect to write to the seller and get an extension of time. He will then know just what to expect and make calculations accordingly. Paying "on account" is a bad practice and should be avoided as much as possible. Aim as far as possible to make payments that will balance the account to some specified date. Making and checking statements will then be an easy matter.

In conclusion, perhaps nothing better can be said than to say that the suggestions in this article are not mere theories, but have by practical application proved themselves valuable aids in the purchase of goods at favorable prices.

F. M.

Hints for Buyers.

The old adage that "goods well bought are half sold" was never more true than at the present.

The duties of this officer have much to do with the profit and loss account at the end of the year.

If he does his work well the results of his foresight, sagacity and judgment are easily distinguishable, while incompetence on his part will manifest itself by an accumulation of unsalable goods and meager profits.

Courteousness.

The first essential of a good buyer is that he should be a gentleman.

That he is not always thus considered it will only be necessary to interrogate a knight of the road in regard to certain individuals who perform this duty in some business houses.

If he is a gentleman the commercial travelers are sure of courteous attention, which if they do not receive they will resent, and will not give the buyer every concession within their power, but will in many cases make him pay dearly for his boorishness.

There is nothing in commercial life that pays better returns in dollars and cents than politeness, and no one needs to cultivate this habit more than the man who does the buying.

The traveling solicitor may be too obtrusive, and his prices may not be right, yet it is wise to keep on the pleasant side of him, even if he never receives an order. The courtesy shown him will be talked about

to other travelers, and it counts much to be popular with the travelers and respected by them

To be referred to among a group of travelers as "one of the best buyers I meet, and he will use you right," is a compliment that any buyer may well feel proud of.

There are no more critical judges of human nature, and none who can more readily size up a man, than commercial travelers, and their good opinion and respect are to be desired if one would buy goods at the lowest point.

Diplomacy.

Then the really good buyer should be as absorbent of information as is the sponge of water; but, unlike the sponge, he should retain all he knows.

If he is shrewd he can often gain information from travelers regarding rival houses which will be of advantage to him.

I do not mean by this that he should indulge in personal gossip about his competitors and quiz the travelers for this information, but some of them like to talk and he can often afford to listen.

By being on friendly terms with travelers he can acquire much information relating to his business which he could not easily obtain in any other way. The salability of other lines not carried in stock, the prospects of future changes in prices, are some of the things which travelers are supposed to know, and have no hesitation in giving the information to a friendly buyer.

Straightforwardness.

A good buyer is uniformly honest and frank with the traveler. If he is quoted a price and the price is

HARDWARE STORE

At right he can by a little adroitness avoid letting the traveler know if he is quoting right or not.

If he has already bought it is unwise to tell the traveler his price is too high. Because then the traveler will be sure to cut his price to his next customer.

Quotations Should Be Kept Confidential.

It is not good buying to dicker between two parties, driving one down with the prices of the other.

Suppose a traveler gives a price on a certain article. The buyer, who knows the price at which he can buy from another house, tells him he must go lower, whereupon he quotes 5 per cent. better. The buyer does not give him the order then, but when the rival traveler calls tells him his price is too high, that he can buy at a lower figure, and can he do any better? Traveler No. 2 says he will cut the price $7\frac{1}{2}$ per cent. The buyer then goes to traveler No. 1 with this lower price and endeavors to use it in getting a still lower quotation.

The result is that he gets a still better price, and no doubt compliments himself on his shrewdness.

But is this a legitimate way of doing business? We think not. And such practices as the above lie at the root of many of the cut prices and small profits on many lines of goods.

The traveler that missed the order will then think his price too high and give a lower quotation to the next house he calls upon, and thus the cutting goes on.

One man's price should never be given to another, but should always be held in the strictest confidence, and not used as a lever to extort a lower one from a competitor.

B. S. J.

Securing the Correct Charging of Goods Sold on Credit.

The little *bona fide* evidence which from time to time comes to the surface in one's business demonstrates the fact that there must be a great omission on the part of many salesmen to charge all goods they deliver to customers on credit. He may be the head clerk and a very busy man, a man capable of handling one or more customers at the same time, and for this particular reason he might be more apt to omit making the proper entry simply because when the first sale was made, in order to wait upon the second customer whom he had already started with, he will say to himself: I'll charge Mr. Blank with the goods when there is a little let up. In this way from one customer to another he goes through the day's business, forgetting one, and how many more? You tell. I can't. Clerks in different kinds of business and proprietors as well do the same thing, and the leakage is far beyond one's real comprehension if he does not stop and meditate very carefully on this one important question. If you call your salesman's attention to this matter his answer as a rule is, Oh, I'm so careful I never forget to make all charges. Now follow this particular clerk closely and I am not in the least reluctant in saying I could catch him in two days making the very error he was so sure he would not.

Delivered and Not Charged.

I used to find that a great many goods in my business were delivered and not charged in this way:

When the proprietors of the different mills and factories would bring in their pass books to be written up for a 30, 60 or 90 day settlement, in putting down each day's items (checking from my ledger) I would

SALESMAN No. <u>2</u>	
FROM	<u>Jan'y 1st</u>
TO	<u>Jan'y 20th</u>
1893.	
JONES - BROWN & Co..	
DAYTON.	
OHIO.	
TOTAL CASH.	<u>\$ 450.⁷⁸</u>
CREDIT.	<u>\$ 936.⁸²</u>
	<i>Book</i> <i>A-1.</i>

Fig. 1.—Cover of Salesman's Check Book.

find first one item of, say, 10 cents, then another of 40 cents, then a keg of Nails, \$1.75, and usually in two months would find the several clerks in my employ had delivered these goods, taken pass book and entered them, while at the same time they were having a good chat on something that occurred the pre-

vious evening, as clerks get well acquainted with men who buy regularly for mills and factories, hence they naturally like to spin out a little chat, forgetting how easy it is to omit the charge and disobeying the rule I

On Cash				
a1 <u>1.25</u>			1.25	a1 <u>1.25</u>
a2 <u>75</u>			75	a2 <u>1.25</u>
a3 John James \$27.00	27 00			a3 On John James \$27.00
a4 <u>4.50</u>			4.50	a4 <u>4.50</u>
Total	27 00	6 50		

Fig. 2.—Sample Page of Salesman's Check Book.

gave them—viz.: *Never put an item on pass book prior to charging it on our regular blotter.*

A Preventive.

In order to overcome this carelessness I originated a plan which acted as a great preventive, as very few omissions to charge goods were discovered afterward.

First I numbered each salesman, including myself, from No. 1 to 8. I then gave each one a duplicate check book, the cover and a sample page of which are shown herewith, with positive instructions that he must keep this check book on his person all the time and not lay it around in different parts of the store, and whenever a sale was made, either cash or credit, it must be entered in this check book, each check being numbered in numerical order. At first one or two sales would be cash, and the entry would be put in check book, tearing out duplicate check and sending it to the office with the cash. The next sale would be a bill of Hardware to a regular builder or some other party, the order being taken down on regular city order book. As soon as finished the salesman would turn to his check book under head of sale No. 3, and make an entry on check as follows:

Making Entries.

"Mdse. sale, \$27.00. John Jones" (this being made in duplicate the same as a cash sale, the only difference being he would not tear out the check, but let it remain in the book). When the day's business was over each salesman would pass his check book into the office to the bookkeeper, who would foot up the cash sales, which were kept in one column, and then check up the credit sales from his journal to see if they compared with the checks left in the different salesmen's check books; in this way the ground was so thoroughly gone over it was a difficult matter to make an error, and in order to prevent any delays in the next day's business each salesman could have a duplicate check book, so the bookkeeper could retain those of the preceding day and properly complete his

work in the way of filling in the amounts on the credit checks and bring down the grand total of both cash and credit sales each day.

When all the checks in a book are used, the total cash and credit sales are entered upon the front cover in blank spaces reserved for this purpose.

Premium for Sales.

At the end of each month I had my bookkeeper present the salesman who made the best showing in the way of total amount of sales \$5. This seems a small amount, but it was of such interest to each man that they all worked hard to secure the same and by this means my business showed a decided increase and scarcely ever was my notice called to any goods not being charged, as each salesman wanted to make a good record for himself and was on the alert to enter on his check book every sale he made, either cash or credit, so it could be proved by the cashier or bookkeeper. I observed each man's sales gradually increased, so that the plan adopted acted in two ways, as it prevented goods going out of the store without being charged and increased my sales, which was, of course, very profitable. Have a place set aside to keep these check books so you can refer to them, and when this system is in operation if you will insist on the rule being followed the results—that is, the increase in your business—will more than pay you double for the little trouble and expense which it will cost.

Organize some method to prevent leakages or you will never understand where the profits of your business go to. The plan I have described is a very simple one, as the checks can be of ordinary perforated paper so they can be removed easily. B. H. R.

How to Avoid Oversights in Charges, Credits, etc.

The difference between a progressive and an unsuccessful concern is often due to the use of a thoughtfully planned and carefully applied system of store management, of which its application to cash and credit transactions is most important.

All retail business is divided into two classes, cash or cash and credit, varying in proportion. A gradual but sure change is going on from the old idea of charging goods on time to the modern one of short time and as strict adherence to cash as is possible. In the large department stores and in a few stores of a single line goods are sold strictly for cash with splendid results. Because of local conditions most stores, however, combine the two. In both classes all transactions may be reduced to two general heads:

a. Cash sales, where money is paid, goods delivered and transactions completed.

b. Charge sales, where goods are delivered, charged, with payment to be made at some future time.

These with three other corollary transactions—namely, 1, Money paid in on account; 2, money paid out; 3, change made—comprise nearly every possible transaction between store and customer. The expense of doing business diminishes in direct ratio to its approximation to cash and increases with the exten-

sion of credit in additional bookkeeping, office and store expenses.

Cash and charge sales are usually handled in an entirely different manner one from the other. In one payment is made and the transaction completed at time of purchase. The danger of loss is small, depending upon the accuracy and honesty of the clerk and especially upon the extent the customer enters personally into the transaction as a check.

Credit Sales.

In credit sales, however, is where loss usually comes. Forgetting to charge the account is of common occurrence. The loss from that source is far greater than most merchants realize. The ordinary form of charging is to call off to the bookkeeper or to enter in a desk blotter usually at some distance away. In a busy time, with utmost care, oversight from failure to charge is common and loss results. It may be a case of ignorance is bliss, but it cuts profits. When the clerk forgets to charge it your customer gets the goods and you get nothing.

The Ordinary Blotter.

If the ordinary blotter is used it should be an inviolable rule to enter the charge at once before any one else is waited upon. But this contingency should be done away with as far as possible, and the possibility of an oversight should be reduced to a minimum, which is obtained by using charge slips in duplicate, one for store and one for customer.

Carelessness Worse than Dishonesty.

Lack of system breeds carelessness, and a dollar lost through carelessness is less excusable than through

dishonesty, for the latter is sure to be discovered in time, rarely the former.

That method of conducting one's days' sales is best which is most systematic and simple, minimizing possibility of carelessness or error, and at the same time interesting the customer in the transaction.

Interesting the Customer in the Transaction.

This last feature is most important, for its effects rightly carried out are far reaching. The object of advertising is to interest the customer. Interest him in goods or store and your wares are half sold. Bring him into close relationship with your clerks and store, proving to him that his interest is yours and yours his, and you can defy competition.

The most systematic and simplified form of conducting the day's sales has not as yet been solved. Varying conditions require different applications of detail according to size and complexity of business. The principles will, however, remain about the same. The object in all cases is first to have some system that is simple, reducing chance of oversight or error to a minimum.

Duplicate Slips.

The most simple form, it seems to me, is that of duplicate slips used in connection with a register. Do away with the common money drawer. Every transaction should have a traceable check. The ideal system would be the combination of a cash carrier with cashier using a cash register, all transactions passing through his hands, every sale coming from salesman upon duplicate slips, cash items having return receipt delivered to customer while the duplicate slip is

retained by cashier, the gross amount being registered. Likewise all charges are entered upon duplicate slips by the clerk, sent to cashier, who retains one, returning other to customer, meanwhile registering the amount, either entering or filing away the original slip, the footings of the latter balancing at night with the amount of the registered duplicate slips. This gives exact and complete check on every transaction, while simple and comprehensive, but is especially adapted for large stores and department work. Its objection is its expense.

The Best System.

For the average retailer the system that gives the greatest results, considering the expense, is one using a register with manifold rolls of paper and a summary roll. The manifold slips are torn off by the salesman, showing the transaction in duplicate, the various items being written in detail, whether it is a cash sale or a credit one. The original slip is given the customer and the other is retained, the charges being made from the duplicate when the goods are sold on credit. Costs may be figured on both cash and credit slips. The summary roll is locked in the register and is only accessible to the one having the key. This roll moves only fast enough to record the total amount of the sale as it is written at the bottom of each manifold slip. At night the day's record is torn off and presents a summary of the day's business, as shown in Fig. 1.

Have the cash side of the summary roll so ruled, as in Fig. 1, to show one column for each clerk, who has his own individual number, with additional columns ruled for "Charge made," "Money paid in on account," "Money paid out," and "Change made."

With each transaction the clerk writes his number in the first column at the left, enters the amount of cash in his column, presses the combination and the drawer flies open, ringing bell, at the same time rolling paper beyond ready for next transaction. The opening is only large enough to admit of one entry at a time. Money paid in or out is likewise entered in appropriate columns, the expenditures or receipt showing to or by whom given.

When change is made the amount is entered in the change column. A charge is treated in like manner, only the address and amount being entered upon roll, the itemized slip from which entry is made being put in drawer.

Every Transaction Shown.

At close of business the register is unlocked, revealing every transaction of the day, giving total, gross and individual sales with the number of each clerk. Debiting and crediting the various amounts paid in and out with cash sales against cash on hand and in banks gives a complete epitome of the transactions upon the cash side. The amount left is carried forward to the next day as "Cash on hand." The detail charge slips filed in drawer during the day should check and balance charge entries made on the cash roll.

The amount of "cash on hand," \$7.80, in Fig. 1, is the amount of change in cash drawer at the end of the day's business, and is made up as follows:

\$3.00.....	Dollars.
2.50.....	Halves.
.75.....	Quarters.
.60.....	Dimes.
.55.....	Nickels.
.40.....	Pennies.

The \$5.00 in change column is change made for a customer. The \$30.00 in the same column was taken out of the cash drawer earlier in the day and put in the safe. "To safe, \$90.00," represents the balance of cash sales for the day taken out at night; and, added to the \$30.00 taken out before, gives the total sales for the day. The individual sales of each clerk are also footed up at the end of the day, though not so shown in Fig. 1.

Slips of Different Colors.

The duplicate slips should be preferably of different colors, one original and the other duplicate from carbon copy. One is kept, and the other is given to customer. Here two methods may be used. The easier is as given, to itemize all charges on the duplicate slips, while entering total on cash roll. A very desirable thing, however, and the one most systematic, is also, if possible, to itemize all cash sales on the duplicate slips as well as charges, the sum total going on the cash roll. It will take but little more time to do this when once understood and will give great returns in accurate knowledge of one's business. One extra column should be inserted for costs. In this way profits can be daily determined, a condition most desirable. The clerk should estimate costs as far as possible.

Profit, Not Gross Sales.

He should understand that profit, not gross sales, is the object of business. It will reduce cutting of prices, give better knowledge of stock and increase the interest of the clerk in the business. The proprietor, however, should enter and extend costs when slips are given to customers. If profits are so figured, one will

be surprised at the results of things, and will wish that he had begun before.

It should be an invariable rule for each clerk to go to the register and make entry of every transaction before another customer is waited upon. At the close of business the day's transactions slip on the summary roll is torn off while the charge slips are entered or filed away alphabetically, only being canceled by payment or return of duplicate. The individual and gross total footings are then made and entered in a book ruled so as to show the cash and charge items for every working day of the month, the amounts paid in and out, with such special items as seem desirable, as in Fig. 2. The first column shows the amount of change in the cash drawer at the close of the previous day's business. The totals of three days' business are shown on the leaf, and at the end of the month each column is footed up as shown. The gross totals of cash and credit sales for the month are thus obtained. The total individual sales plus amount of change in cash drawer should equal gross total of cash sales. Indicate amount of discrepancy of shortage or amount over each day at the left of the first column, as in Fig. 2. In small figures at the right, and above individual sales, enter number of such sales, with their total above total of day's gross sales. In connection with this side use the duplicating part as safeguard and check upon the cash, while the entry upon cash roll of total charge checks itemized duplicates charges entered on the slips.

Part of Customer in the Transaction.

What part now has the customer played in the transaction? None, except as a passive recipient.

Just so far as he can become interested, just so far will he be not alone a check upon any oversight of the salesman, which, however, would be discovered at night, but interest once aroused he becomes more closely attached to your business, loses sight of the penny in the service and becomes a walking advertiser.

Blessed is the man who has such a customer. How may he be obtained? Make him financially interested in the business as well as the sale. This with prompt and obliging service will bind him to you with cords of steel. Have the slip of every transaction delivered with the goods to the customer. If over the counter, hand to him; if delivered, whether paid, charged or sent C. O. D., send with delivery man, who must return the statement of such delivery with the time, kind and number of goods, by whom sold, with the receipt of consignee.

This slip must represent value alike to the merchant and customer, to be the means of check to the one and of interest to the other. To accomplish this, have printed besides the address at the top or on the back some pungent advertisement. But, above all, let this check represent a rebate for cash or quick payment of account.

Credit and Cash.

Do you know what the credit part of your business costs you compared with cash? Figure it once and see. Put the difference in rebates for the redemption of checks and see if you do not think it pays. Keep the principle, let each work out the details himself. Have them redeemable in merchandise and it will help your trade.

Thursday, July 15, 1897.

Cash on hand.....\$7.80							
Cash sales.				Charge.	Cash p'd in.	Cash p'd out.	Change.
1	2	3	4				
3		4.80					
1	1.70						
2		5.40					
3			.60				
4			5.00				
3	Mrs. S. B.	Harris	on contract	3.00			
1	2.40						
4		Change	.....	.....	.....	.....	5.00
2		4.20					
1	.70						
4			1.00				
2	Charge A	B. Jones...	3.00				
4	Express	.....	.....	.....		.30	
1	To safe	.....	.....	.....		.....	30.00
			To safe	.....	.....	.....	90.00
		Cash sales	.....	.....	.....	.....	120.00
		Credit sales	.....	.....	.....	.....	50.00
			Total sales	.....	.....	.....	170.00

Fig. 1.—Daily Business Summary.

Change Left	Dats	1		2		3		4		Rec'd on Acct.	Paid Out	Expenses
		Cash	Credit	Cash	Credit	Cash	Credit	Cash	Credit			
0	5.10	¹⁴ 12.14	⁹ 40.50	¹⁰ 18.30	³⁰ 40.50	⁴² 82.30	³² 32.25	¹⁵ 22.16	¹⁵ 128.75	36.00	4.50	22.10
+ 25	5.03	³⁴ 20.52	³² 70.60	¹⁶ 16.20	¹⁷ 34.76	¹⁸ 88.42	⁴¹ 70.21	¹⁰ 60.02	⁶⁵ 430.43	40.00	7.40	24.30
- 25	4.25	¹⁵ 23.31	³⁰ 45.16	³⁰ 18.14	³⁰ 40.40	³⁶ 180.12	³² 42.10	¹⁸ 94.18	²⁶ 274.34	15.00	8.90	32.50
		⁵⁴ 55.77	⁶¹ 156.26	⁵⁶ 52.64	⁶⁷ 115.66	⁹⁶ 350.84	¹²³ 144.56	⁴³ 176.36	¹⁰⁸ 833.52	90.00	20.80	78.90
	4											
	5											
		⁴⁰⁰ 450.20	³²⁰ 740.25	⁶³⁰ 525.50	⁴²⁰ 830.50	⁹⁵⁰ 2,005.30	⁸⁵⁰ 2,840.00	⁷⁶⁰ 1,534.90	⁸⁰⁰ 1,780.40	940.00	150.30	560.10
Gross totals.												
		Cash ³⁹²⁰ 4,515.90								Credit ¹⁸⁰⁸ 6,191.15		

Fig. 2.—Recapitulation Leaf.

For instance, have printed on the slip, if for cash, “\$10 in amount of these cash slips presented at one time good for 50 cents’ worth of Hardware. Save and return your slips.” Or on charge slip, varying with amount: “If paid promptly in ten days from date this check will be accepted with rebate of 2 per cent.”

A great number of applications can readily be made. The object is to get quick returns, to get slip back as check on sale, and especially to interest the customer in the business, making him financially interested in results. All the slips can be kept in daily roll together, in which case the charges should be checked up and copied either into journal, or, what is better, original slips can be filed directly in a bill pocket book, the duplicate sent to customer serving as an original bill, book entries being made of sum total only, with reference to slip. The bill when returned for payment and rebate checks the other. Credit is made on the books and bills are filed away as complete record of the transaction.

Preventing Error.

The slips and continuous record first check one another and then are in turn checked by the rebate slips, preventing error, and at the same time increasing interest of both clerk and customer. If clerk is apt to be away from register, let him have pocket duplicate book, itemize charges thereon, and then bring to register. But this would rarely be necessary.

While lengthy in description, this system is very simple and reliable in application, bringing at the same time great results in the life of trade. The principles here exhibited can readily be applied in other

forms. The cash register, with check printing device, also presents a most excellent method along somewhat similar lines of avoiding oversights and keeping exact record in a simple manner.

E. D. W.

A Broad View of Stock Taking.

Once a year the machinery of trade should be stopped in order that the condition of affairs may be obtained. Stock taking time is observed by all tradesmen with scarcely an exception.

Some of the smaller merchants may perhaps conclude it an unnecessary task, as they know how they stand and can size up their goods upon the shelves at a glance. But even the very smallest merchant can with advantage to himself carefully go through the process.

He may reason that his goods are all paid for, that he has no creditors, and what cares he about stock taking? He will be no richer by it, and it means some work. We are not so sure but that he may learn something from it which will be dollars in his pocket during the next year.

Take Stock of the Goods.

There are other things to be inventoried and valued besides the stock, but this is the most important and should come first.

Every article of merchandise in the store should be counted or weighed or measured, and entered in a book with the cost price, and the amount of its value found. This book will be a handy one to refer to in the future when new goods are required. The prices should be the actual cost of the goods when bought

with expenses of shipment added, with this exception—if goods are lower in price than when bought the lowest price should be taken.

Advantages.

It is the only safe way, as many men deceive themselves by invoicing their stock too high. Stock taking is not only valuable to the merchant to aid him in finding out his real net worth, but it has other uses every business man cannot fail to recognize. It serves to bring to his notice shelf worn goods which have lain long upon their places and have depreciated in value. By having his attention called to them he will readily see the necessity of getting rid of them as soon as possible. Dust and dirt can be removed, and broken packages tied up and the goods rearranged in an attractive manner. The goods that have been slow sellers in the past can be placed where they will be constantly in sight and thus more frequent sales made.

Dead Stock.

By reference to the invoice book it will be noticed that some goods were bought perhaps one, two or three years ago, showing that there have been errors made somewhere, either in the quantity or price bought at, or non-attention in pushing goods which only sell once in the year. This handling of the stock will show among other things the importance of buying with the utmost care in regard to quantity. Goods can be ordered quickly, and the necessity of buying largely does not now exist with the facilities of telegraph and express at the present day. Dead stock is responsible for more failures than any other one thing. The

beginner in business is most usually apt to err in excessive buying. But his care should be to buy as sparingly as possible, as in most instances his capital is limited and he needs to beware of locking it up in unsalable goods.

He needs to cautiously feel his ground and buy only what sells. Hence the annual stock taking will reveal to him his mistakes in this regard.

Taking Stock of the Accounts.

We use this phrase in the same sense regarding the accounts on the ledger as the goods upon the shelves. The names of the merchant's debtors will bear careful scrutiny. In scanning the pages of his ledger he finds customers specially desirable. These he must take pains to give the very best attention in every particular. They must be promptly waited upon and their goods delivered in the shortest time imaginable. They must be used well, and if they have complaints these must be settled in a ready manner to their entire satisfaction, even if the concession made means an actual loss on the transaction. The slow paying and undesirable customers must also have a little consideration. They must pay more for their goods than those who cause the merchant little trouble in collecting. Some may think this is not just right. But we think that the people who buy goods and keep the merchant unnecessarily long out of his pay and cause him no little bother and annoyance to settle have a proper right to pay the highest ruling price. If they complain explain to them that you would gladly give them a discount for prompt and immediate settlement.

But the merchant needs to not only consider the prompt and slow pay customers but those who are

doubtful and may never pay. The ones he has the least doubt of should be put into suspended accounts and not considered as a good asset of the business. If there are more than there should be, let him recall why such is the case, and watch this part of the business more closely in the future.

The Merchant Should Take Stock of His Prospects.

Has he made some progress during the year? If so, what are the probable indications for future prosperity and gain? It is not wise to be too sanguine over the future because last year was good; neither is it the right thing to be discouraged because the future shows no bright prospects. By looking at the past and the success therein attained, may we not hope for larger gains in the future, considering that the experience of the past, if rightly weighed, will give additional capital for the future? The records of every business year should contain material for the thoughtful merchant to supplement his efforts in his upward climb of prosperity. He should not be so narrowed by the perplexing details of his business that he cannot forecast to a certain extent the probable conditions which will prevail next year in his constituency. The successful merchant is able to look into the future, and will lay his plans in advance.

Failures.

The failures of the past year need to be viewed from different standpoints. Of course there have been failures. Not only failures to pay, but there have been mistakes made in the conduct of the business. Perhaps some good customer has been lost and proper

steps were not taken to hold him or to win him back again. Perhaps some creditor was not promptly paid, and your credit was just a little affected. These and other matters will bear a little wholesome thought and resolves for more careful consideration in the future.

The Clerks

will come in for some consideration at this annual polishing of the munitions of war. The help of an establishment contribute no small share to its success. So they should be carefully scanned to see that each one is doing as well as he can. If there are any among the staff who seem not to be up to the standard of merit, investigate the cause. Is the fault with them or with the proprietor, or are both a little to blame? If it is decided that a certain clerk is a positive injury to the business, he should be got rid of at the first opportunity. But do it in an honorable way by fully explaining the reasons and by giving him ample notice. Be sure that no mistakes are made, as often there is jealousy among the clerks and the bold and tricky fellow, who may possess little real worth, will use every means to get his more humble fellow into disgrace with the proprietor. A sharp eye should be kept on the help, and when merit is seen it should be encouraged. Strive to make the men more valuable to the business and also to themselves by consulting with them about the affairs of the store and getting their opinions of proposed improvements which may be contemplated.

If clerks are taken a little into the confidence of their employer and his interests, and made to feel that their individual success is closely allied to the welfare

of the business, and that honesty and faithful performance of duty is appreciated by their employer, there will seldom be found occasion for him to complain of their inefficiency.

Good Methods in Stock Taking

AS DESCRIBED BY HARDWARE MERCHANTS.

I. How to Take a Quick Inventory.

During an experience of 20 years the pricing has been the slowest and hardest part of the taking of our inventory, so we now try to make everything bend to the pricing. The first step is to get the stock in the best possible shape. On deciding the first week in January to be the best time for this work, all the spare time of clerks and porters during the previous week is spent in arranging, cleaning and counting stock; also during this week the cost book is carefully brought down to date.

ARRANGING GOODS.

Take all scattered goods from show windows, showcases, etc., and put each kind by itself—for example, Cutlery, Spoons, Granite Ware, Hollow Ware, Stamped Ware, etc., being massed upon the shelves so that they can be invoiced together. Then lists and discounts can be easily used in the making of prices.

CLEANING AND COUNTING.

After arranging, the porters go through the entire building from roof to cellar, dusting, cleaning thoroughly, weighing and counting each item and marking

it either with chalk or slips of paper. The time used in this preliminary work is well spent.

INVENTORY SHEETS.

Instead of taking down in a book, use sheets of paper of uniform size and ruled for two columns of figures. These sheets are numbered 1, 2, 3, 4, etc., up to 100, or as many as are needful. Hand these to the men who are to do the work, keeping a record of the numbers given to each, and see that they are returned, whether used or not. By this record you may know that no sheets are lost. Only one side of the sheet is to be written on. Two men work together, one to take down, while the other does the counting, weighing and calling off. Assign your men to different parts of the stock or different floors, so the work goes on at several places at the same time. On account of the arranging of the goods, all goods of a kind can be taken on consecutive sheets. This is of very great importance, if lists and discounts are used in pricing. All large articles, as Stoves, Mantels, Furnaces, Tin Plate, etc., are invoiced first and each marked with chalk as soon as it is taken.

PRICING.

This is tedious work where the utmost care, labor and time are needed. As soon as a few sheets are filled they are handed back to the office so the pricing can begin about an hour or two after the invoicing is begun. After all pages are priced, they should be marked O. K. by a second person. Next the extensions are made, each in turn being marked O. K. by a second person. Then additions are made and marked O. K. Thus each step is O. K. before the next step is

taken. By using separate sheets all the work can be carried on at the same time by a half dozen or more clerks, and therein lies the great saving of time. Always use lists and discounts in preference to net costs.

BINDING.

When these sheets are completed they are bound in a permanent form by blocking them with mucilage at the top. They are then handled as easily as any book and can be referred to as quickly.

GOODS SOLD AFTER INVENTORY.

A record of all goods sold after they have been invoiced must be kept and their value subtracted from the total inventory.

EN ROUTE.

Goods *en route*, which have been journalized, must be invoiced from the file on which these invoices are kept.

SUMMARY.

For the sake of comparison, make a summary of the amounts of each kind of goods shown on the inventory. This is done by ruling one of the sheets with spaces for names and amounts like the following, reserving spaces for entries for several years to come:

	1896.	1897.	1898.	1899.
<i>Stoves.....</i>	\$2,176	\$1,907		
<i>Tin plate.....</i>	1,104	882		
<i>Mantels.....</i>	807	750		
<i>Furnaces.....</i>	614	600		
<i>Stamped ware, &c.</i>	554	425		

Bind the summary with the other sheets and it will be a source of interest and will repay the little cost to make. By it you can tell the amount you have invested in each kind of goods and it will be a guide to you when you wish to even up stock.

OLD STOCK.

Don't fail to go carefully over the inventory and make a list of the old and odd stock which you wish to get rid of. Put low prices on such goods. Tack a copy of them in a conspicuous place in the office and paste another copy in the cost book.

If possible put the goods themselves in a conspicuous place, remembering the old age, "Out of sight, out of mind." Use your best efforts to push them off. Better lose money on them promptly than allow them to become shopworn while costing you interest to carry them.

These suggestions may have to be modified to suit varying conditions, but we find the plan has worked entirely satisfactorily with us.

II. From a House in Wyoming.

A large and diversified stock is carried, including Hardware, Furniture, Crockery, Saddlery and Harness. In taking inventory, each class of goods is treated separately. In all departments each section of shelving is taken on a separate slip of paper, and when the inventory is complete the slips are copied into a blank book, a portion of a page of which is herewith reproduced, showing ruling, method of entry, etc. The articles, it will be seen, are not described in any detail. The footing of one page is not carried forward to the next page, but all are gathered together in the

Kanduan Ruam					
4	strings	Beils	55	220	
2	"	"	65	130	
3	"	"	80	240	
1	for	skates		40	
8	"		115	920	
24	Qty		283	566	
12			320	480	

Form of Inventory Book, with Sample Entry.

recapitulation. The following information in regard to the methods employed will be of interest and will make the system plain:

Flat Head Bright Screws are in the Hardware Room, and are entered as follows:

2	gro F. H. Brt. Screws	1/4 x 1	.40	.80
15		3/8 x 2	.40	6.00
5		3	.40	2.00
1		7		.48
				<hr/>
				9.28
	Less 80 ¢			<hr/>
				7.42
				<hr/>
				1.86

Carriage Bolts are taken in the same manner.

The contents of the Crockery Room are taken without describing the articles, as here shown:

CROCKERY ROOM.

1	Vase	2.50
1		4.00
1	Jug	.35
1		.65
1	Creamer	.15
1		.25

The inventory of the Warehouse shows the amount of grain sacks, etc., it contains, as follows:

WAREHOUSE.

8850	Oats	.80	70.80
8625	Wheat	.80	69.00
300	Sax	.05	15.00

Goods ordered, in transit but not yet received, are treated in the following manner, as invoices posted but not in:

HARDWARE STORE

INVOICES (POSTED, BUT GOODS NOT IN).

<i>L. Straus & Sons</i>	1/14	5.20
<i>P. J. Peters Sad. Co.</i>	2/12	42.25
“ “ “	2/12	2.85
<i>Sam'l Cupples W. W. Co.</i>	2/24	27.13

Under the heading Miscellaneous, the following entries are made as assets:

MISCELLANEOUS.

<i>Goods from Loan Book</i>		35.00
<i>Powder in Magazine</i>		45.00
<i>125 Cedar Posts</i>	.10	12.50

INTEREST.

<i>Accumulated Int. due us on notes</i>	175.00
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INSURANCE.

<i>Unexpired</i>	275.00
------------------	--------

EXPENSE.

<i>12 Tabs Large Bill Heads</i>	.40	4.80
<i>21/2 " Small " "</i>	.30	.75
<i>2 Check Books</i>	8.00	16.00
<i>5 Journals</i>	1.00	5.00
<i>300 Postal Cards</i>	.01	3.00
<i>75 Envelopes</i>	.02	1.50
<i>Books in use</i>	25.00	56.05

Store fixtures, tin shop tools and fixtures and real estate are entered under separate headings, as shown:

STORE FIXTURES.

<i>1 Dormant Scale</i>	90.00
<i>1 Counter " "</i>	16.00
<i>1 " " "</i>	6.00
<i>1 Show Case</i>	26.00
<i>1 " " "</i>	18.00

TIN SHOP TOOLS AND FIXTURES.

<i>1 Squaring Machine</i>	30.00
<i>1 pair Snips</i>	1.50

REAL ESTATE.

<i>Brick building on Lots 3 and 4, Block 5</i>	15,000.00	
<i>Warehouse on Lots 6 and 7, Block 9</i>	2,000.00	
	<u> </u>	17,000.00

Portions of the recapitulation show how the amount of each page of the different departments is entered.

The Furniture, Harness and other departments are treated in the same manner.

RECAPITULATION.

<i>1 Hardware</i>	120.25	
<i>2</i>	95.60	
<i>3</i>	89.20	
<i>4</i>	51.40	
<i>5</i>	129.60	
	<u> </u>	
<i>Total Hardware</i>		6,750.25
<i>51 Crockery</i>	41.50	
<i>52</i>	69.75	
<i>53</i>	80.50	
	<u> </u>	
<i>Total Crockery</i>		1,950.60
<i>90 Warehouse</i>	950.75	
<i>91</i>	325.50	
<i>92</i>	450.20	
	<u> </u>	
<i>Total Warehouse</i>		3,150.50

SUMMARY.

The summary shows all the assets at a glance, as follows:

<i>Hardware Room</i>	6,750.25	
<i>Crockery</i> "	1,950.60	
<i>Furniture</i> "	5,520.75	
<i>Cellar</i>	2,160.90	
<i>Harness Shop</i>	850.40	
<i>Tin Shop</i>	465.50	
<i>Shipping Room</i>	270.30	
<i>Warehouse</i>	3,150.50	
<i>Miscellaneous</i>	125.20	
<i>Invoices</i>	750.90	
	<hr/>	
<i>Total Mdse.</i>		21,995.30
<i>Interest</i>	175.00	
<i>Insurance</i>	275.00	
<i>Expense</i>	56.05	
<i>Real Estate</i>	17,000.00	
<i>Tin Shop Tools and Fixt.</i>	421.00	
<i>Harness Shop</i> "	240.50	
<i>Cabinet Shop</i> "	175.90	
<i>Undertaking</i> " <i>Hearse, etc.</i>	850.00	
<i>Store</i> "	980.00	20,173.45
	<hr/>	
<i>Total Inventory</i>		42,168.75

III. A Vermont Merchant's Method.

The actual time of taking our stock is four to five days, commencing so as to complete the work January 1. This being a holiday, we close the store and devote the day to taking down our main salesroom, containing Builders' Shelf Hardware and Tools.

Commencing with unseasonable goods and goods least likely to be called for, we begin the first week in December weighing, etc., attaching the temporary inventory to the goods, ready to be taken down on the stock book at the proper time. When writing we use a regular stock book, taking the inventory with lead pencil.

We enter each department by itself. If goods are sold from the stock that has been temporarily inventoried, the goods sold are deducted from that inventory at the time. Goods in each department or room are taken in regular order, beginning on one side of the room and working around to the other. The inventory is copied in permanent form.

Goods are inventoried at their market price at the time of taking stock, prices being obtained from drummers, manufacturers and *The Iron Age*. We estimate dead stock at what we think we can get for it. Prices are inserted by the buyers and extended by the book-keeper. Store fixtures are included, and freight is considered as part of the cost of the goods.

We use our inventory in the usual way in determining profits, in locating stock, in determining sales of any particular line, in working off dead stock, etc.

We usually employ four men in taking stock, one to call off, one to take down and two to go ahead weighing, counting and placing slips containing the list of contents of bins, drawers, etc., with the goods in that particular bin ready to be called off.

IV. From a Pennsylvania Merchant.

February 1 appears to be the most suitable time for taking inventory, owing to a quieting down of business following the holiday rush. Two weeks,

working day and night, is usually required to complete the task.

Preparations prior to stock taking are advantageous providing all salesmen exert themselves to keep the goods as arranged. If any are indifferent as to this we would then consider time spent in preparation as time spent in vain. A great many items can be computed very accurately by weight, instead of counting every piece separately, and at a great saving of time.

We use one regular inventory book and two auxiliary books, in which goods are itemized and prices extended; then the totals are carried to the regular book. The auxiliary books are only ordinary books, with one column for figures, which amount is carried forward from page to page until inventory is completed.

The inventory is generally taken by two working together, one calling off the items, the other writing down. Account is kept of items sold that had been included in inventory, the total of which is deducted from inventory.

Stock is entered just as it comes, without any attempt to get all of a kind together—that is, retail and surplus, which in a great many cases are located in different parts of the building. Memoranda are taken of goods needed to complete assortments.

We consider the prices current at the time of taking stock the proper basis to figure from, not what they cost at the time of purchase. Our idea of an inventory is the exact value of merchandise at a certain date, advance and decline being either for or against, as the case may be. The very latest prices possible to obtain are used. Some are taken from quotations at hand, and in case of merchandise of unsettled prices quota-

tions could be solicited. The person intrusted with obtaining, inserting and extending prices varies. In our case it is the bookkeeper.

We keep an eye open for dead stock, also for odds and ends, which ultimately develop into dead stock. We make an effort to dispose of them, putting a price on them that is low enough to attract attention and to make them move quickly. The longer they remain the more they depreciate in value, while the old, shelf worn boxes tend to detract from the appearance of the newer and brighter stock.

We consider freight as part of the cost and compute a certain per cent. on the cost for that item. Store fixtures in some cases are added directly to inventory of merchandise; in others they are carried as an expense inventory, with a proper allowance for usage in either case. We are not prepared to say just which is the proper method.

V. An Ohio Method.

We commence to take inventory the first week in January of each year, and continue until the inventory is completed. This generally takes from two to three weeks.

We make no special preparations. We aim to keep our stock in such condition that special preparations are not necessary. The counting is done as the amount of each article is called. We do not count Screws or Nails. We estimate. Several tests have satisfied us that that is practically correct. All other goods are either counted or weighed. Carriage Bolts and Lag Screws are counted beforehand and memorandum kept of sales before invoicing.

For writing stock we use tablets of foolscap paper.

One clerk calls the articles. Another enters the amount of goods on hand. Prices are not carried out at this time. We copy all invoices as they are received in a book and carry out the cost of each article. If the entry in the cost book is on page 10 and the twelfth entry on the page our price mark reads "12—10," and under these figures is the selling price. So, when the article is called these figures are called also as part of the entry in the inventory for these goods.

A large percentage of the goods for retail are kept in boxes, and we commence at the front end of the store and go toward the rear. No prices are carried out until the inventory is completed. The proprietor makes all the prices.

Sales of goods to be invoiced are noted. Sales of goods invoiced are not taken into account in the invoice. The sheets, as they are filled, are numbered and given to the proprietor. The want book is used where goods are found to be low or in need of replenishing. Prices are taken from last bills and verified with the assistance of *The Iron Age* and such other helps as we can get. Unsalable goods are invoiced at a figure that will, we hope, move them. Dead stock is invoiced as "junk." Goods are invoiced at market prices without regard to what they cost. Freight we do not regard as cost except Nails, Wire and other Heavy Hardware.

Fixtures are not invoiced. They are part of the expense of the business, but would be invoiced in case of a sale of the stock to some other party.

Inventory is used to show profit and loss. We also find it a good time to go over stock and renew our acquaintance with the goods we have. That is, how-

ever, a minor point. Pricing up the invoice gives a better knowledge of the stock than any other way that we have tried.

Our cost book gives us the best knowledge of the amount and kinds of goods that we are selling. By indexing the goods as they come in we are enabled to compare prices, so as to show which house that we are buying from is giving us the best figures. After the invoice is footed up and the proper entries made in the ledger the invoice is filed away so as to be available in case of accident by fire or other reason we may want it for.

We have found that a cost book is one of the most satisfactory books we have, as it enables us to keep track of the sales of goods and is a great help in making up orders. It takes time to keep it in order, but it is time well spent.

VI. From a House in South Dakota.

The subject of inventories is as old as storekeeping, and the time for its approach is looked upon with fear and trembling, or without concern, according to the party taking the invoice. The careful, painstaking merchant who sees in the inventory an assistance to business dreads more or less the labor involved, while the party who looks at his stock and lumps the Tinware, Carpenters' Tools, Guns, Shelf Hardware, Iron Stock, etc., thinks the inventory of but little consequence.

We have found that the invoice once a year can be made a great aid and assistance in business; but before proceeding further we might say that this article refers to stocks of about \$8000 to \$10,000, so that the

rules set forth for taking the invoice may not be as full and complete as in stores carrying much larger stocks.

The time usually taken by us is immediately after the ushering in of a new year; a very appropriate time on account of the usual dullness existing in the Hardware trade at that period. In taking the invoice we go at it methodically and take our time, placing all goods in order as we proceed, cleaning shelves here, dusting there, putting goods in new boxes where old boxes have become broken and dingy looking, covering some boxes on salable goods where the boxes have become dirty, counting all broken packages, weighing up all material sold by weight, and having all merchandise left in a good looking, clean and proper condition after completing each section of the store.

We prefer to use separate sheets, attaching all sheets in a Shannon letter file, and as fast as the top sheet is filled out change the sheet from the top to the bottom of the file. We preferably mark the sheets so that the location of the merchandise can be easily ascertained by the marking on each sheet; this being of benefit in case of fire occurring in any one section of the store, as a research among the sheets of the invoice will enable one to come very close to ascertaining the damage done by fire in each section. The ruling on these sheets we do not think needs to be elaborate and we suggest the ruling shown in the accompanying sample page of the inventory book. The stock above mentioned being small the invoice is taken by the owners, with the assistance of the clerks, who are assigned to certain sections where there need be no possibility of error in taking down the goods.

In order to shorten the time of invoicing, when goods are met that are dead stock an "x" is placed in the column "Goods to be sacrificed." likewise in

BUSINESS METHODS.

Location

No. of Articles.	Name of Article.	Cost per Item.	Total Cost	Goods to be scrip- tured.	Goods to Fill in.	Remarks.

Sample of a South Dakota Hardware Company's Inventory Book.

"Goods to fill in," and then after the invoice is completed, when more time can be given to the matter, the dead stock can be culled, and note can be made of the stock in each section that needs adding to in order to make stock complete.

The suggestions on the page illustrated show that the invoice gives the exact location in the store of all merchandise invoiced, the cost of each article, its technical name, suggests the goods to be closed out at cost and even less if necessary, according to its state of deadness, and prompts the buyer where goods are needed to fill in to make stock complete.

All shelf goods and other goods where there is but little variation in prices are priced according to the last lot bought, while all heavy goods and other stock, where there is liable to be a variance in price of considerable importance, are priced according to the price paid for them, as well as the existing market prices, so that a profit or loss by change in the market price is arrived at.

In computing the total cost of stock kept we always add 10 per cent. for freight charges, as that is the average rate of freight for a point in this section and will come extremely close to the actual freight paid on all classes of goods. Fixtures are put in at actual cost, as are also Tinnerns' Tools and other Tools required to be kept for repairing pumps, plumbing, etc., the object being to readily ascertain when necessary the amount of stock, the cost of freight, the amount carried in tools, the amount of fixtures, etc.

As a means of determining the profit made during the year the inventory is an absolute necessity, as by no other way can a man know to an absolute certainty whether he has been moving ahead or sliding backward.

W. J. H.

Suggestions in Regard to Inventory.

A dirtier, more unpleasant job the Hardwareman rarely has on his hands.

All retail dealers do not take stock annually, and many never take a thorough or proper inventory. If the only feature to be considered were that of knowing the exact amount we have invested in stock and how much profit we are making each year there would be some excuse for guessing at the stock as long as there are no silent partners to object.

Guessing At.

A stock of goods which invoices at about the same figures year after year can be guessed with a surprising degree of accuracy by a competent person thoroughly familiar with the goods in question. But the mere knowledge of the exact amount we have is only one of the considerations in taking the annual inventory.

First and probably the most important is that of

Insurance.

He is a shrewd and well posted merchant who knows just how well he is insured. You may never look at your inventory unless you have a fire. There are many ways of adjusting fire losses and figuring the value of merchandise. You can rely on one fact, however—that is, the insurance companies will pay no

more than they are compelled to by the conditions, and in all cases a thorough inventory as a basis to figure on is the merchant's safeguard, as the burden of proof of the value of stock destroyed lies with him. His inventory and books are the only things left to show in many cases.

The invoice should show the different sizes, qualities and makes of goods so that an outsider could verify the dealer's prices if necessary.

Unsalable Merchandise.

Another important consideration in invoicing is that of cleaning out slow and unsalable merchandise. We frequently lose sight of goods in a year's business. We find goods in taking stock we could have sold had we known they were in stock, also damaged goods, goods with broken parts and goods with missing parts. The writer once invoiced a stock of Pumps and Plumbers' Supplies that was fully half unsalable because of the lack of parts robbed to supply customers wanting repairs. We regard as the greatest good derived from invoicing the putting of everything in salable condition.

Selling Old Goods.

If there are any goods that have remained on our shelves over two years, we put them in a junk pile in our front show window and offer them to our customers at their own prices, calling the attention of every one that comes into the store to them.

We had a lot of Cut Brads and Finish Nails on hand when the change to Wire Nails took place, and we could not get rid of them at any price, but by mixing in some 8d., 10d. and 20d. Nails we sold them all as Mixed Nails at not much below cost. It is better to

sell old shop worn unsalable goods at half cost than to carry them year after year, and this method has been so successful that our customers look forward to our annual invoice sale of bargains.

We also find it policy to put in such staple goods as we may be overstocked on at about cost to help clean up the old stayers.

A Special Want List

should be made while invoicing, also a list of things to be done, such as polishing tarnished Plated Ware, fitting up odd Locks and Keys and Escutcheons, making changes in the display and arrangement of goods, mounting Wheelbarrows and Grindstones, etc.—things you cannot do while invoicing, but can easily attend to during the dull period. When ready to make our spring orders our want list shows the sizes and varieties of Tools and other merchandise required to keep the stock up to our standard completeness. There are a hundred ideas for improving stock and of wants that come to our knowledge when invoicing that should be recorded and carried out. Many large stocks of goods become in a large part unsalable, as the changes in styles and prices go on, from a want of proper consideration of the real advantages to be gained by the annual house cleaning and inventory.

One Way of Taking Stock.

We have found in our climate and business conditions that the best time to invoice is the week between Christmas and New Year's. Our new year begins with January 1, and as we never close our store to the trade while invoicing, a dull week is desirable.

We have tried taking the invoice in two books,

straightening up the goods, invoicing and cleaning out as we go, taking section by section until all are finished, beginning with the goods least likely to be called for by the trade, keeping a list of all invoiced goods sold before the 1st and of all not invoiced after the 1st. We do not know how generally this plan is adopted, but it has so many objections we will not try it again. Its only advantage is that it saves rewriting the invoice.

We have never used any special blanks for inventory, but where the invoice is practically made before it is called off, we think some kind of a tag or label, easily attached or removed, large enough to show the contents of a broken box or package, with a space for goods sold before invoice is taken, would be very desirable.

Objections.

One objection is that the invoice books are hard to keep in good shape; that some kinds of goods are frequently listed and priced more than once, as they are found in different parts of the store, making a longer invoice. Another difficulty is in keeping a correct list of invoiced sales, as the actual taking of stock generally lasts a week or ten days. Another is that goods are not so apt to be properly listed and specified on the books as they should be.

The Best Plan.

We believe the best plan, and the one we think is usually adopted, is to go through the stock, carefully putting all in shape and getting all goods of a kind together, counting and making lists and attaching to each box or compartment, upon which all sales and changes can be noted up to the time of actual invoice.

In this way the stock can all be called off and put on one book in a comparatively short time.

Estimating.

In the detail work of invoicing there are many things that require more time than their value will justify, such as counting loose Screws in case and loose Bolts in rack. We have always estimated these by half or full package, as the case may be.

Dead or Depreciated Stock.

There is such a thing as being "penny wise and pound foolish" in more ways than one, and one is to think you have to get cost out of old junk stock before you can part with it. Don't keep it.

Haul off old iron stuff that lays around and can't be sold and is only taking up valuable storage room, and part with it at any price.

Invoicing is for the purpose of separating the salable from the unsalable. We all make mistakes in buying and all get overstocked at times.

Taxes, interest and rent act on unsalable stock like unimproved real estate, eating up the original investment and all the profits.

E. B. C.

Price Book and Stock Directory.

For systematizing the pricing of Hardware we recommend the use of the stock directory and price book combined. Not to the exclusion of sample boards and price cards, or the marking of the goods or packages in which they are contained, but there are objections to these ways of pricing which the directory, if properly kept, will obviate and at once settle all cases of doubt.

This System

necessitates the numbering of each shelf in each section with plain figures, beginning at the top shelf of each section with No. 1. Each section must be labeled above the shelving in plain sight with a letter of the alphabet, beginning at front of store on left hand side (facing inward) with "A" and continuing down through the alphabet in regular order as far as necessary. If there be shelving on the right hand side only, the beginning should be made at back of store. Each drawer, bin, case or cabinet must be numbered in a conspicuous place and uniform manner.

The Book

should be of a size proportionate to the diversity of the stock carried, for an ordinary retail store say 6 x 10 inches and about 300 pages. It should be of the best parchment paper, bound in flexible leather, and may

be indexed all the way through, as shown in the illustration; or for a large stock it may have a separate index referring to the page on which the article wanted is entered. In this case the book might be

LIST NET			LIST NET		
Drivets. Screw	Doz	EACH	Sare. Kettle	#	Doz
<u>AH</u> 2IN 2 ⁰⁰ UT		K _o	1 1 ⁰⁰ HD	ac	
3 2 ⁰⁰ UT		K _o	2 12 ⁵ OD	tl	
4 2 ⁰⁰ SN		K _o	3 13 ⁰ UD	Lo	
5 3 ⁰⁰ ND		me	4 17 ⁵ SD	K _o	
6 3 ⁵⁰ XMD		tl	5 22 ⁵ ND	K _o	
Disct UD - XD 0%			6 27 ⁵ XMD	K _o	
			7 35 ⁰ XHD	me	
			Disct UD 0%		
LIST NET			LIST NET		
Dusters Feather			Escutcheons		
Turkey					
<u>Primer 20</u> 10IN 12 ⁰⁰ THX		Lo			
11 15 ⁰⁰ HDD		ac			
12 18 ⁰⁰ HAU		tl	10 10	VOD	K _o
13 21 ⁰⁰ OUS		ac	11	VOD	K _o
14 23 ⁰⁰ UTL		K _o	2	XH	tl
15 25 ⁰⁰ UAX		K _o	102	FO	tl
16 30 ⁰⁰ AXD		K _o	2541	XMD	me

Stock Directory and Price Book Combined.

larger and duplicate copies provided, according to the number of salesmen employed.

In this book must be entered, in proper order,

All Goods

carried in stock, with a reference to their location in the store, as well as the list price, discount, net cost

and selling price. All but the list price to be done with pencil for convenience in making changes. If the book is large enough a space for remarks may be added, and will prove convenient. This book should be revised upon the receipt of each invoice of goods, or when any change in price or location of stock occurs. One man should have charge of and be held responsible for this work.

The Advantages

of this system are apparent. The prices are always new and reliable; the cases or packages are not necessarily defaced with marks, which it is especially desirable to avoid in jobbing houses. With such goods as require sample boards and price cards, the tags may become defaced or torn off or the price card misplaced; when this occurs a reference to the directory will save much time and annoyance. Should a new salesman be employed the directory will prove a valuable aid to him. A reference to its pages will direct him to anything in stock and settle any doubt he may entertain as to whether the article is kept in stock or not, without the necessity of calling some more experienced man from his work.

The Annual Inventory.

Aside from this it serves to systematize the annual inventory. By following the plan of heading the sections, etc., and when completed indexing the inventory, a reference to the same is an easy matter.

For such goods as are remote from the general stock, price cards may be hung near them. For many lines of goods such as Padlocks, Coat and Hat Hooks, Knives and Forks, Tacks, Brads, Clout Nails, etc.,

sample boards are almost indispensable and in no way interfere with the system we are advocating.

For Cost and Selling Marks

we suggest the use of Roman capitals for the former and script for the latter, in order that there may be no doubt as to whether the mark is intended for the cost or selling price. As examples of marks we give the following:

Cost.....	X L T H O U S A N D	M	V
	1 2 3 4 5 6 7 8 9 0	Repeater.	Blind.
Selling.....	k n o b l a t c h e	s	

We will suppose an article cost \$1.44 and is to be sold at \$2.25; the mark would appear like this: X H M—n s l. Occasionally, when the “Dutchman’s 1 per cent.” is legitimate and the customer might not agree with us, the “Blind” is a useful character, thus: V A M—*ttl*. It will be observed that if only the two characters were used a bright customer would notice that the cost must be less than \$1, if only 1 cent. less, hence when he is asked to pay \$1.75 might consider it too much profit. Whereas with the V in place his peace of mind is not disturbed with visions of extortion.

H. H. F.

Prices and Catalogues.

The system of recording prices and filing catalogues and circulars described below is in satisfactory use, and has been developed after some ten years' study and experience. One of the price slips, which are printed on a good quality of heavy white paper, is reproduced in Fig. 1, actual size. It presents a record of the price of handled Mauls. In recording quotations or the price of goods in catalogues, one of the slips is used for each item. It shows the date, article, name of manufacturer, price, number of drawer in which the catalogue or circular is filed and the freight allowance. The red check mark indicates that the terms are 2 per cent. off in ten days. The blue check mark shows that the price was made by a salesman at the company's store and the red circle indicates that there is information on the other side of the card.

The index cards, one of which is shown in Fig. 2, are the same length as the price slips and wide enough so that the index letters on the cards show above the slip when placed in the drawer. The index cards are made of heavy colored cardboard, having the raised part for the index letters alternate in four different positions on the cards, as indicated by the dotted lines. The arrangement of the index letters is the same as is used in *The Iron Age Price Book E*. Various kinds of goods in the same catalogue are each recorded on a different card and all refer to the same drawer for printed matter. Quotations received by letter are recorded on the slips, and the letters are filed in a

A great many things are indexed that are not kept in stock, and information is procured for customers without charge and then recorded on the slips for future reference. Goods are often sold by the aid of the price slips, and this is considered a very valuable department of the business. *The Iron Age*, *The Metal Worker* and other trade papers are studied carefully,

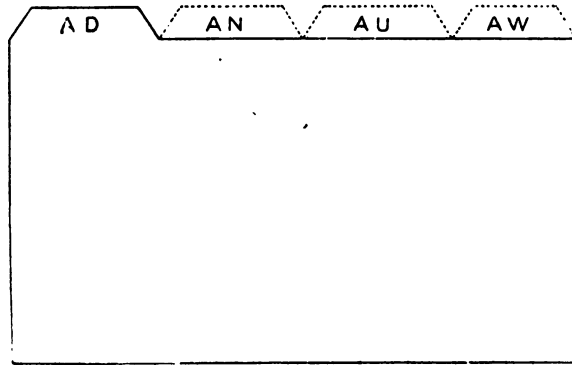


Fig 2—Index Card.

and manufacturers are written for information regarding anything noticed which is likely to be of use to the company or their customers, and the information obtained is placed on file. The company take pride in having the reputation of knowing nearly everything in Hardware which people inquire about and which they have not been able to learn elsewhere. This policy entails some expense and trouble, but the company consider that the time and money are well invested.

Arrangement of Catalogues and Price-Lists.

A Method Which Has Been Successfully Adopted.

In response to several inquiries for a desirable plan for filing catalogues and price-lists to insure easy and convenient reference, the following suggestions are given. While they may not meet the requirements of all, they may serve as a guide for those who desire to inaugurate a system of caring for Hardware literature, as well as for those who anticipate remodeling the arrangement of the plan now in use. No plan is adapted to all cases, as a merchant will be disposed to a greater or less extent to follow a method with which he is familiar, while by many any given plan will be considered either too complicated or not sufficiently comprehensive.

Requisites.

Two of the requisites for a comprehensive, yet simple, system of keeping catalogues are sufficient space in convenient form, and such an arrangement that any article or the name of jobber or manufacturer can be instantly found. The advantage of a system of keeping catalogues and price-lists, those representing goods carried in stock as well as those about which the merchant may have occasional inquiries, is that the merchant may be enabled to find the information wanted

quickly and without loss of time. The principal features of the following system are a cabinet with sufficient space for large bound volumes, and the grouping together in drawers of smaller catalogues and price-lists relating to the same line of goods and an index book.

A Cabinet.

The cabinet illustrated in Fig. 1 is about 12 inches deep, $2\frac{1}{2}$ feet wide and 6 feet 8 inches high, outside measurements, exclusive of the cornice and a 6-inch base. The cabinet may be made of $\frac{3}{4}$ -inch stuff all around, except the sides and back of drawers, which can be $\frac{1}{2}$ inch thick; and it can also be provided with a door and lock. It has been found an advantage to have a catalogue cabinet mounted on casters to aid in its speedy removal in case of fire, as the information therein contained would prove almost invaluable in buying a new stock of goods.

The inside measurements of the openings in the cabinet are as follows:

	Inches wide.	Inches high.
No. 1.....	28	$18\frac{1}{4}$
No. 2.....	14	$18\frac{1}{2}$
Nos. 3 and 4.....	$18\frac{1}{2}$	4
No. 5.....	$18\frac{1}{2}$	$4\frac{1}{2}$
No. 6.....	$11\frac{1}{2}$	$4\frac{1}{2}$
No. 7.....	16	$4\frac{1}{2}$
Nos. 8 to 25.....	9	$4\frac{1}{2}$

The cabinet can obviously be made larger or smaller to suit the requirements of any given case, but it will be found advantageous to retain the proportions before mentioned. If more than the lines of goods represented in the cut by drawers Nos. 8 to 25 inclusive are to be accommodated the cabinet can be made higher or wider and three, six or nine openings for



Fig. 1.—Cabinet for Catalogues and Price-Lists.

drawers of the size 9 x 4½ inches added and numbered 26 to 28 or 26 to 31 or 26 to 34, respectively. It is well to have one or two extra tiers of drawers to provide for new lines of goods, or for the subdivision of the lines already represented should they grow too large for one drawer. It might be found advisable to have shelf No. 1 take the place of the three upper rows of drawers, for ease in handling the large jobbers' catalogues which are apt to be in general use. In this case the three rows of drawers would then take the place of shelf No. 1 and contain catalogues for which there is the least call. The cabinet should be so located with reference to the desk that most of its contents may be conveniently reached without rising from the desk chair.

Arrangement.

The several shelves and drawers are used for holding the following:

1. Catalogues in large book form, from such houses as Russell & Erwin Mfg. Company, Sargent & Co., Simmons Hardware Company, W. Bingham Company, A. F. Shapleigh Hardware Company, etc.
2. *The Iron Age* and other trade papers.
3. Blank reference cards, circulars for distribution, etc.
4. Index, price and quotation books.
5. Lists and mail matter relating to prices, temporarily, until time is found to assort and place them in the proper places.
- 6 and 7. Paper covered catalogues too large to go in drawers 8 to 25.
- 8 to 25. Classes of goods arranged to best suit the business, similar to those indicated by the markings

on the drawers in the illustration. The drawers should be marked with the kinds of goods represented by the catalogues they contain.

When catalogues, price-lists, reference cards, etc., are placed in the drawers, the number of the drawer to which they belong should be marked in one corner. If preferred, small circulars, postal cards, single sheets, etc., approximating in size an ordinary business envelope, may be classified according to the different lines of goods of which they treat, and put in envelopes of the bellows pattern and kept in the drawers where they belong instead of being put in the drawers loose. The envelopes should have the number of the drawer in which they belong marked on them, and also the class of goods they represent. Thus the heading on the side of one envelope might be:

*Belting,
Packing,
and Hose,*

followed by the names of the firms whose printed matter is contained in it. This envelope should be kept in drawer 9, and so numbered. When catalogues that are kept in the drawers contain more than one class of goods they should be placed in the drawer intended for the most important line of goods, and reference cards put in the appropriate drawers referring to the other classes of goods.

When lists cannot be placed in their proper drawer on account of being too large, or for any other reason, a reference card should be used. For instance, William Rogers (Plated Ware) should go in drawer 13, but the book, on account of its size, must be put in drawer 7, and a reference card, as shown in Fig. 2, put in

drawer 13. Pieces of blank paper $2\frac{1}{2} \times 4\frac{1}{2}$ inches in size are well adapted for use as reference cards.

Reference cards should be made out containing the names of new goods illustrated or advertised in trade papers, with the name of manufacturer and name and

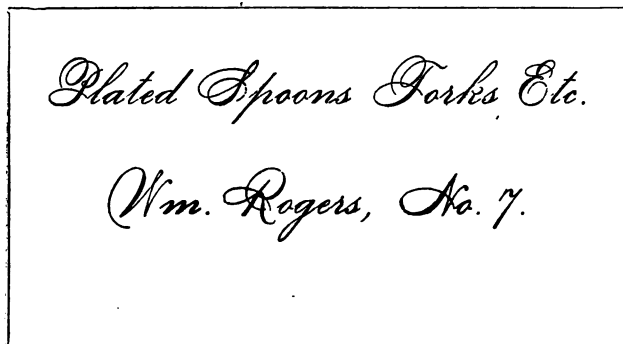


Fig. 2.—Reference Card.

date of the publication in which they appeared, and placed in the proper drawers. If these memoranda are worth preserving for future reference, printed matter and prices are worth obtaining from the manufacturers or jobbers, which, when received, should be substituted for the reference card.

Dates and Prices.

In many new catalogues the statement is made that this catalogue supersedes all former publications of the concern. Whether or not this statement is made, a new catalogue, price-list, or circular upon its receipt should be compared with all printed matter on file from the same concern and everything destroyed which is covered by the new book, thus avoiding an accumu-

lation of dead matter in the cabinet. Printed matter is apt to be without date; in all cases any printed matter filed should bear the date of receipt. Upon receipt of printed matter unaccompanied by discounts request should be made to the senders for discounts or net prices, which upon arrival should be coupled with the matter to which they refer. A rule should be made, and strictly adhered to, that all printed matter pertaining to any firm be kept together, to avoid confusion and to aid in ready reference.

New and revised list prices often appear in *The Iron Age*. These should be cut out and filed with the proper catalogues, at the same time writing to the concern for a copy of the same, with discounts, matter which upon receipt should take the place of that clipped from the paper. The official copy will verify the correctness of the list as published, and will also be an authority in case of dispute.

The Object of an Index.

Any system of keeping catalogues will require some time to put it in running order, but when once fairly started may be easily kept up. The index will probably be found of the greatest use in enabling the merchant to know whether he has a certain catalogue or other printed matter to be replaced by similar matter just received, or whether the information is at hand when an inquiry is made for some article not usually sold, as the price-lists and circulars used almost every day relating to articles in constant demand become familiar to the merchant. The index might be dispensed with altogether, but its convenience in times of emergency will amply repay the time and labor expended in keeping it up. One of the employees usually

should be familiar with the system, so as to be able to furnish customers with information in the absence of the proprietor.

It will be necessary to index only the printed matter kept in the drawers, as the contents of the large bound volumes are usually well known. It may, however, be found advisable to make exceptions in case catalogues that are kept on the shelf are devoted to lines of goods not kept in stock and with which the merchant is not familiar.

The Index.

A substantially bound book of sufficient size to last for years, with index tabs, should be provided. If more than one leaf is required to a letter, additional ones can be inserted as occasion requires by gumming them along the inner edge.

Each left-hand page should be used for names of concerns and the goods they handle, with the number of drawer or shelf where printed matter may be found, so that a glance will tell whether printed matter of any concern is on file. Each right-hand page should be devoted to the names of articles as headings, under which will appear the names of the concerns from whom the goods can be obtained, with the drawer numbers. Thus a glance will show all printed matter on file relating to any one article. It is not essential or practical to have the names of corresponding goods and those of manufacturers or jobbers of them opposite each other. All entries should be made in alphabetical order and spaces should be left for filling in names that will come between those already entered. Sufficient space should be given each entry to avoid a crowded appearance and to make the entry legible,

giving two or more lines to each entry when necessary. A left hand page under the letter A would then appear as follows:

<i>Adams & Westlake :</i>	
<i>Stove Boards, Oil Stoves, &c.....</i>	<i>24</i>
<i>Athol Machine Company :</i>	
<i>Vises, Fine Tools, &c.....</i>	<i>15</i>
<i>Atkins, E. C., & Co. :</i>	
<i>Saws, &c.....</i>	<i>15</i>
<i>Avery, B. F., & Sons :</i>	
<i>Plows, Cultivators, &c.....</i>	<i>22</i>

A right hand page under the letter S would show from whom Saws could be bought, as follows:

<i>Saws :</i>	
<i>Atkins, E. C., & Co.....</i>	<i>15</i>
<i>Disston, Henry, & Sons.....</i>	<i>15</i>
<i>National Saw Company.....</i>	<i>15</i>
<i>Simonds Mfg. Company.....</i>	<i>15</i>

Reference cards should be indexed with the number of the drawer in which they are kept, and not with the number of the drawer in which the catalogues to which they refer are found. Thus the reference card to William Rogers' catalogue should be indexed under drawer 13.

The system described combines the best features of several plans in use for filing catalogues, and, while amply complete for retailers' use, will be found simple, easily understood, and reliable if properly kept up; while at the same time it is exceptionally free from complication and red tape.

Price and Quotation Books.

To complete the system and to make it thoroughly effective an indexed price book should be kept, and

perhaps an indexed quotation book. Some merchants prefer to have prices paid for goods and quotations received kept in separate books, while others combine them in one. In either case the entries should be made so as to be intelligible in a moment, that there may be no hesitation when giving a customer a quantity price on an article, or when comparing prices paid and quotations received with those being made by a traveling salesman. The cost of goods in manufacturer's or jobber's hands, weight, freight classification and freight should be plainly shown. The price book will obviously be a great help in pricing the annual inventory.

The Accumulation of Dead Stock.

We have been 20 years in business wrestling with dead stock, and we are pleased to give you an account of the numerous plans and schemes whereby it was made to go. During these years we have bought four stocks of goods from assignees and have thus gotten more of the stuff than we would otherwise have had. Our experience has been that it is not desirable to buy goods in large quantities in order to obtain low prices. The greater advantage lies in having the goods come to the shelves fresh, in having less capital invested and in being able to take the cash discounts.

Care in Buying.

We endeavor to buy carefully and judiciously (especially if the article is new to us and no demand yet established) and thus feel the trade. Should it prove a seller the order can easily be duplicated.

Annual Inventory.

We take an annual inventory, which we consider very important, as it brings into view all stock, both good and bad. From this inventory we make a list of all dead stock. The list, with its quantity and cost price, is put on heavy cardboard and tacked up in our office, reversing the maxim "Out of sight, out of mind." Thus we have the dead stock in daily view, and by keeping everlastingly at it we succeed in getting well rid of it.

Slaughter Sales.

We have on several occasions advertised "Slaughter sales—great reduction in prices at close of the season." This has never been successful with us. We prefer to carry such goods over to another season and yet get the profit on them when they are sold. Slaughtering prices will demoralize the trade of other dealers as well as our own.

Introducing Goods.

Small articles are put in the most conspicuous place in the store—namely, on the showcase or on a table near the door—with plain tags on them, and our clerks instructed to call the attention of every one who enters the store to them, whether customers or not.

Job Lots.

We frequently make up job lots for second-hand dealers. We will lay on the floor a pile of goods of which one-half is dead stock and one-half good—the good being put in for a bait. We then call in our two-handed brethren and work them for \$3 or \$5 for the lot, as the case may be. One year we sold a gross or more old, old lanterns which would hardly pay their own drayage.

Premiums.

We have used the "PM" system (PM being abbreviation for premium). Each article is marked with a peculiar tag. As the article is sold the clerk keeps the tag till the end of the month, when the cashier will redeem it at the agreed price, the PM money being over and above his salary. We have known clerks to earn \$3 to \$4 per week extra in premiums.

Prizes.

To crowd the sales of stoves we have offered three prizes—viz., \$20, \$10 and \$5—to the clerks who would sell the greatest number, up to January 1.

Consignment.

One year we were carrying 13 hard coal Base Burners which we had taken back on trades. As this is a great soft coal country these Base Burners were likely to become stickers. We shipped them to a commission auction house in Chicago. After paying freight and liberal commission we came out ahead.

Daily Reductions.

Another year we used the 50-cent reduction plan. The following placard was put on a stove on the sidewalk:

GREAT SCOTT !!

This stove will be *reduced fifty cents*
each day until sold.

PRICE TO-DAY, \$12.50.

The cost price on the first stove experimented on was \$8. A customer was ready for it bright and early on the day it was marked to be sold for \$8.50. The record of 20 of these sales shows that we came out a little above cost. With each Stove extra Pipe, Tinware, etc., was sold.

County Fair Premiums.

Our county fair has helped us to run off some Patent Bread Cutters and Patent Washing Machines by offering them as special premiums for the best layer cake or the largest pumpkin, the cake to go to the dealer. We considered this scheme successful on account of the advertisement there was in it. H. P. T.

The Treatment of Clerks.

It is a notable fact that almost every man who has made a marked success of his business has possessed and exercised the ability to gather and keep about him good assistants. To be able to do this is one of the richest faculties a business man can possess. A man's start and early growth in business depends entirely upon himself; but as business extends duties multiply, and he is forced sooner or later to divide his duties and intrust some of them to hired help. To know just the right kind of help to select, what duties to place upon it and how to treat it to secure his best services, is something that every business man must possess.

Human Nature.

A careful study of this subject forces upon one the fact that, while all men have their own peculiarities, which must always be taken into consideration with them as individuals, yet there is a certain likeness in human nature that makes it possible and necessary to take a certain position regarding the treatment of those in the employ of another; *e. g.*, it would not be practical for an employer to insist upon his bookkeeper using some set rule to calculate the correctness of an invoice—how he does it is a part of his education—but it is perfectly right for an employer to insist that it shall be calculated correctly. Neither would it be policy to set up certain rules as to how a salesman shall make a sale of goods, but it is entirely correct to require that if he sells he must do so at a certain price.

How he does it is characteristic to himself and must be left very largely to him, but that it shall be done, and with certain results, is something that an employer has a perfect right to require.

The Employer's Interest.

All men are engaged in business to make money, and the sooner an employer balances everything with this final end in view the better it will be for his best interests. Clerks should not be an exception to this rule, and no business man should keep in his employ any clerk that does not earn more than he receives, and it should be the aim of every clerk to serve the best interests of his employer, and the best service can only be given when a clerk works as if his employer's interests were his own. Few clerks work from this standpoint, but it is the only true one to work from. The rapid promotion of the clerk who is not afraid to work, who is constantly suggesting where small leaks may be stopped, expenses lessened, trade improved, business extended, is ample testimony to prove the truth of this rule—a clerk of this stamp is worth a dozen of those whose main aim seems to end in putting in so many hours for so many dollars.

Promotion.

While it is true that the value of a clerk to his employer lies mainly in himself, yet very often the employer himself is very largely to blame for the lack of results from his help. Instances come to mind of a young man who has left the service of one employer for that of a competitor. With one he could make but little progress, with the other his promotion has not only been rapid, but well founded. Why should this

be so? The only answer that seems reasonable is, The one did not appreciate his ability and study to draw out his good qualities, whereas the other did.

Insist Upon Results.

Perhaps one of the most important points in dealing with a clerk is to have a definite understanding at the outset of just what is expected from him. Give him a definite field to work in and then insist upon results. Give him all the encouragement possible, but do not lose sight of results. They alone count in business. By giving him a definite field to work in the main cause for jealousies among clerks has been removed. Yet these outlines must be elastic enough to permit of suggestions that will be to the interest of the business. Throw the responsibility of a certain department upon a clerk. Hold him accountable for its success, and then, and not until then, can his ability be fully measured. No business man can hope to achieve success without some definite end in view. Neither can a clerk.

Being Social and Familiar.

A business man should command the respect of his employees. It is much pleasanter to receive a word of encouragement from an employer who is thoughtful in his suggestions, sincere in his actions, thorough in his work and careful of his character, than from one who is not. A cold shoulder should be turned to all familiarities from clerks. They should cease at once. They never are productive of any good and certainly do harm. Do not confound being social and being familiar. It is an employer's duty to be social toward his employees, but familiar, never. An employer who

is familiar with his clerks is generally not their best friend and seldom commands their respect.

Monthly Written Reports.

Clerks should feel that their efforts are appreciated, and it is an employer's duty to know what they are doing. Many a faithful clerk has been wronged by an employer not making it his business to know for himself, and know beyond a doubt, where to place the credit for a valuable suggestion. Many times a trusted clerk is less competent than some of his assistants. Many times he takes credit of merits that belong to another, and in return receives the advancement that rightly belongs to an assistant.

Compensation of employees is one of the vexed questions that a business man must contend with. While it is unquestionably an employer's right to say what he can and cannot afford to pay for a service rendered, yet it is his moral duty to allow himself to be influenced in these matters by a strict sense of justice, and justice only. Relationships, friendships, favoritism, or sentiment should find no consideration whatever in these matters. When a young man feels that nothing stands between him and promotion except merit, he then has an incentive to push to the front, and it is an employer's duty to see that he has credit for what rightly belongs to him. Perhaps there is no more practical way to solve this question than to have each clerk make a monthly written report of what he has done. Knowing that a report of this kind must be presented to his employer, a clerk's pride and ambition will lead him to make a good record. He becomes careful, thoughtful, ever on the alert to make a sug-

gestion that will help the business, ambitious to produce good results. There is an incentive in these reports to a clerk to do his best. And not only this, the employer also gets better work, gets a better idea of what is being done, and knows where to place the credit. An employer who will use these reports, verify them, and adopt good suggestions from them, places himself both in a position to compensate his help justly and to adopt improved methods for his business.

Unreliability of Help.

Honesty in a clerk is a quality that cannot be too fully appreciated, but the multitude of cash registers and similar devices in constant daily use testify to the unreliability of help. It is an employer's duty to insure

Honesty

as far as possible, but just how to do it each employer must decide for himself.

Confidential clerks are an absolute necessity in every business, yet how difficult it is to find them—somebody who can be trusted, who is not afraid to work, who watches his employer's interests as if they were his, who has good habits, some one who can be relied upon at any time, who never says a thing is so unless it is so.

Going to a Competitor.

The extent to which a business man takes a clerk into his confidence must be decided by himself. There is always the liability of a man's help becoming dissatisfied and going with a competitor. This cannot always be avoided, and it is poor policy to let him know more than is necessary to the proper discharge

of his duties. Unnecessary knowledge can do a clerk no good and may do an employer great harm.

Confidence.

In selling goods, clerks should be furnished with a complete list of the prices at which they should be sold. These are the selling prices, and if any special occasion seems to warrant a special concession it should come from the management. What a dealer pays for an article should be kept a matter of confidence to himself and his buyers. This information in the hands of indiscreet clerks would do more harm than good.

Let Them Go.

When an employer engages a clerk, he agrees to give in exchange for certain services a certain salary. If a clerk insists on his salary the employer has the same right to insist on his services. Punctuality in commencing work should be insisted upon. Many an order is lost for no other reason than tardiness in opening up. Better be half an hour too early than three minutes too late. Dissatisfied clerks will appear in every business. There is only one of two things to do. Satisfy them or let them go. It never pays a clerk to stay after he becomes dissatisfied—much less does it pay his employers.

Mistakes.

Don't expect too much from clerks. Don't expect that they will not make mistakes. They certainly will—all men do. When they make a mistake, don't forget all their good qualities; these very often more than offset the other. An employer should never lose control of his temper. Good seldom comes of it—but

harm, invariably. A business man cannot afford to give way to his passion. As soon as he does he loses the mastery of the situation. An employer cannot afford to employ uncivil clerks; he should insist on neatness, pleasant address; should discourage profanity, lounging, use of tobacco, drinking, gambling, gossiping. The absence of these qualities gives character to a house, draws a better class of trade than where they are permitted. A customer never objects to good character, but very often finds fault with the opposite.

Personal Interest.

An employer should always manifest a personal interest in the private life of his help. It somehow seems to bind the interests of employer and employee more than anything else. An employer who can command both the love and the respect of his clerks can always get better service, more of it, and at less cost than one who fails in this respect. F. M.

Waste in the Store and How to Avoid it.

This is a subject worthy of attention, as the losses which occur to the dealer in the course of the year, from what may be termed waste, are considerable.

One of the first items is over weight and measure. Good

Weight and Measure

may be due the customer, but need not run to excess, and the salesman who makes a practice of throwing in a little more after weighing correctly is working against the interests of his employer, and if continued in will easily lose from 1 to 2 per cent. of the net profits for him. Very often this over weight and measure are given by salesmen who are not accustomed to weigh and measure goods, and it would be to the merchant's interest to give them a few lessons to perfect them in weighing and measuring goods.

Let them take 100 pounds of some article and weigh it up in 2, 3 and 5 pound packages so carefully as to make the requisite number of pounds. I think the result will surprise them.

Omission to Charge

goods sold on credit is something that has cost most dealers quite a sum during their business career. Various reasons would doubtless be given for this should the salesman be questioned, but a very common reason

is because it is not quite convenient to step to the desk to make the charge.

This could be corrected in a great measure if the salesman was obliged to carry a memorandum book for that purpose in his pocket, and to make the charge on same so that it will not escape his attention until he has an opportunity to report or make charge himself on the proper book.

Neglect to charge goods will also occur when the costomer uses a passbook; the charge often made on the passbook is neglected on the store book. The way to avoid this is to first make the original charge on either of the books mentioned before, then copy same into the passbook.

Keeping Books Posted.

Losses occur from neglect to keep books posted. A customer calls for the amount of his account; the merchant turns to his account on the ledger and gives him the amount, but finds in a few days (or sometimes weeks) in posting that there are a few more items that should have been added to his account, and these items, if small, are often lost, as the customer, if spoken to about it, refuses to pay, or does so unwillingly, or his trade may be lost because the customer is not a regular one.

A Trivial Matter.

There are many instances, too, when a thoughtless clerk has purloined from his employer goods for his own use. At first it may be a trivial matter, a cheap Rule, Pocket Knife or other small article, but if the practice is not stopped it soon ends by his taking something of more account. Merchants should insist upon being

consulted when clerks want goods, and should, if the goods are to be charged or paid for, attend to the matter personally.

Marking Prices.

Many merchants lose because of failure to mark goods, thinking they can remember the cost price. The custom of not marking goods is a poor one, for if the proprietor should remember prices himself (which is doubtful), they are very apt to be offered for sale by a salesman who is obliged to guess at the price, and many times does not get cost for the goods. The best plan is to have all goods marked, either on the article, box, package, or by list prices put up in some convenient place.

Collecting.

Losses will sometimes occur by not collecting for all goods sold for cash. Several articles may in turn be wrapped up as they are purchased, and the clerk in adding up the amount of the purchase overlooks some of the articles, thus failing to get pay for them. This would not happen so often if each article was itemized separately in figuring up the amount, after which the goods should be counted and checked off.

Packages Opened.

Many salesmen use goods about a store as if they cost nothing, and new tools are allowed to become soiled, packages of goods opened, and part used and part left to spoil, such as Paint, Colors; Putty left to become hard; Glass left where it is liable to get broken, and are wasteful in many other ways. Merchants should insist upon order in the store and should be consulted in regard to the use of new tools and goods

liable to become damaged, as all goods of this character, if they are not entirely spoiled, must be sold at a sacrifice.

Goods at the Door.

Goods are often stolen when placed outside the store and are neglected until darkness comes on. A practice should be made of bringing in all goods that are set out each day at an early hour.

Shortages.

Loss sometimes occurs because invoices of goods are not looked over by the purchaser. There is willful waste in salesmen throwing in with goods to be fastened a handful of Screws, Bolts or Nails because it is too much trouble to count them.

Lending Tools.

Hardware merchants are sometimes censured because they will not lend tools that persons wish to borrow. Unfortunately he cannot say he has none, for all around, displayed to good advantage, are Saws, Hammers, Axes, Wrenches, Screw Drivers, Squares, Pliers, Bits, Braces, and numberless other things which the borrower wants to use, will not injure, and will return in a minute ! Some of these may be lent, but should be charged to the person and marked loaned, and if not returned to be paid for the same as if purchased.

Underestimating Cost.

The article of Mica is often sold at a loss, as it is bought by weight and sold by the sheet. A good way to arrive at the cost and selling price is to take each package upon arrival and split it into sheets of the right thickness for use, throwing out any which may

be too thin or broken, then weigh and count, dividing the cost per pound by the number of sheets.

Measure a Barrel.

There are losses from goods bought by weight and sold by measure, such as Oil, and if the dealer will take the trouble to measure a barrel of Linseed Oil he will find it often run short from 3 to 5 gallons if a clean measure of standard size is used. This means a loss to him unless he uses a measure that will hold just the number of pounds he buys for a gallon, which is, I think, $7\frac{1}{2}$ pounds.

The losses that occur from

Shoplifting

by those who visit the store in the guise of customers are considerable. This class of thieves succeed best in stores where there is not much attention paid to customers. The incomer should be promptly met at the moment of entrance and not left to wander about the store from one article to another. By so doing losses in this way would in many instances be avoided.

Unprofitable Business.

The losses I have mentioned many merchants fail to take precaution against or make allowances for them in their calculations as to their present worth. It frequently happens that when the year expires, inventory taken and accounts made up, the business, which seemed so flattering, is unexpectedly found to be unprofitable, or showing a profit much less than was expected.

Future prosperity will greatly depend upon the dis-

covery of the cause of the discrepancy between calculated and actual results.

Money Drawer.

Many small dealers use the money drawer as their private purse, taking from it whatever cash may be needed, and also take for their use articles kept for sale and often neglect to make any charge for them. To such dealers, "Waste in the store and how to avoid it" is a subject which would be of little interest.

W. T. W.

Keeping the Stock in Shape.

When a man fails in business there is generally found an amount of goods representing a considerable portion of the assets of his estate which have to be disposed of at prices away below what was paid for them.

They are in such a condition and are of such unmarketable qualities that such a shrinkage is not to be wondered at.

Supervision.

The manner in which the stock of a store is kept has much to do with the success or failure of that store.

A man may be a good salesman, a good collector and keep his books methodically, but if he does not carefully watch the amount and condition of his stock he will be almost sure to fail.

This very thing has been the cause of more failures than any other business condition.

Turning Over Stock.

When a man starts in business his capital, his money, is put into goods, and it is the manipulation of this merchandise that adds to his wealth or dissipates his present worth.

The oftener it is sold and the money put into new goods which are again sold, or the process of turning it over, the more money there is made.

Stock Turned Over Yearly.

Suppose, for instance, a storekeeper lays in when starting business \$100 of Cutlery, and this amount of stock lasts him, say, a year. If he sells these goods at a profit of 25 per cent., this amount, after deducting expenses, represents the dividend on his investment.

Stock Turned Five Times a Year.

But if, instead of buying so much, he had bought \$20 worth, and by good management had turned over his cutlery stock five times during the year instead of once, his profit in the end would have been the same amount—viz., \$25. Or, in other words, an investment of \$20 had yielded a return of 125 per cent., while in the first instance, although the selling profit was the same in both cases, he only realized 25 per cent.

Quick Sales in Staples.

Now, it may not be possible to turn over all goods so many times a year, yet there are some staples which can be turned over even oftener, especially if the dealer resides in the same town or as near the manufacturer or jobber.

These are the goods which pay, even though the selling profit may be less than slower selling goods.

Adequate Stocks of Staples.

Now, although a dealer need not carry heavy stocks of staple goods, yet he should guard against the evil of ever being out of them. He must always have the staples.

It has a bad effect on the customer to be told that you are unable to supply him with rod. Nails when he calls for them.

Goods to Stock Sparingly.

But if he should ask for an Auger File the effect would be different, as, the latter being seldom called for, the reason of your not having it in stock could be easily and satisfactorily explained.

Rules for Buying.

A good rule is to buy largely of goods which you sell every day of the year, but sparingly of slow selling goods.

Seasonable goods like Sap Spouts should be carefully handled, as if they are not sold during the season they will remain upon the shelves for a whole year, with the risk of a drop in price, damage by fire, rust, breakage and dust.

If these goods remain unsold from one season to another it means that the money invested in them is idle capital and bringing you no returns, which, if you had it, could be used in taking cash discounts or put into staples and made to earn good interest.

Season Goods Record.

In buying season goods one must not trust too much to memory, which often is unreliable from one year to another. It is a good practice to keep a record of all goods bought during the year. In this book are entered the quantities of each article bought and the date, and the amounts of subsequent purchases are also recorded in it.

WRINGERS.

<i>Jan. 1, '96, on hand,</i>	<i>1-2 doz.</i>
<i>Novelty 10 in., bought Feb. 10,</i>	<i>3 "</i>
<i>Apr. 20,</i>	<i>2 "</i>
<i>Sept. 1,</i>	<i>1 "</i>
	<hr/>
<i>Dec. 31, '96, on hand,</i>	<i>6 1-2 "</i>
	<i>3-4 "</i>
<i>Sold during year,</i>	<hr/>
	<i>5 3-4 doz.</i>
<i>Novelty 11 in., Jan. 1, on hand,</i>	<hr/>
<i>Feb. 10,</i>	<i>3</i>
<i>Apr. 20,</i>	<i>3</i>
<i>Sept. 1,</i>	<i>2</i>
	<hr/>
<i>Now on hand, Dec. 31,</i>	<i>8</i>
	<i>1</i>
<i>Sold during the year,</i>	<hr/>
	<i>7</i>

Form of Keeping Record of Stock.

As the invoices come in, the amounts are entered in this book as in sample form shown, and then at the close of the year the amount of all goods sold is readily seen, and the requirements of next year can be pretty well determined upon.

Reference Diary.

Then a printed diary book, about foolscap size, is very convenient to refer to after it is a year old. Should there be any inquiries made for seasonable goods after they were all sold out, the fact should be

recorded in this diary, and when the order for next season's supply is made up the fact may then be of value.

In this diary may be jotted down every day any little item of importance regarding the condition of the stock, and the dates will add to the value of the information when reference is made to it in the future.

Novelties.

There is a wide difference of opinion regarding novelties and new goods. Some maintain that they should be left severely alone until the trade calls for them, while others again are always ready to buy everything which has just been put upon the market, and with the result that they soon accumulate a lot of stuff which is only fit for the junk pile.

Middle Course on New Goods.

The more reasonable plane is between these two extremes. One thing is certain—that a new article will often sell, even though it may have little genuine merit; but it sells simply because it is new and novel. So if one decides that a certain new thing would probably sell, it is better to buy it when first offered, and not wait until your competitor has had a good run on it.

It is best to buy cautiously at first and push the article, because whatever is new upon the market will always catch the eye of the prospective buyer, and if the sale keeps up you can easily get more. But when the sale of a novelty begins to slacken it is best to clear out the stock as soon as possible, and drop it at once.

Ordering by Telegraph.

A dealer may often make sales of goods not kept in stock. When a demand comes for an article of this

kind it can be ordered by telegraph to come by express, and a fair profit can often be made after paying these extra charges.

It is better to do this than carry slow sellers in stock and lay out of the money for months at a time.

Stock Continually Moving.

But the main point in keeping the stock is to aim at having it continually on the move, as, like water, it soon becomes offensive if allowed to remain still. A live man generally endeavors to have no dead stock in his store.

Collecting Accounts.

Whether or not collecting book accounts shall be a simple and comparatively easy matter depends entirely upon the attitude of the salesman when the bill is made. If credit is given in a pay-any-time-you-please or a that's-all-right manner the customer will surely live up to this spirit and consider that his bill is not due until it is entirely convenient for him to pay it. On the other hand, if credit is given in a businesslike manner, if the person asking it is requested to state when he will pay, and emphasis is laid upon the fact that the credit is for that exact time, the collecting of the bill is tolerably well arranged for then and there.

Every Hardwareman, except in the very smallest country districts, has two classes of credit customers. The first class includes men and firms who are manufacturers, mechanics, builders, etc. This class ought to ask for but one month's credit, except when a carpenter and builder may occasionally have money tied up in a job they have on hand and the dealer must wait for the completion of that before he can be paid.

Promptness.

The dealer who is not prompt and systematic with this class of trade simply increases the unpleasant features connected with the collection of accounts. In opening accounts with this class I have a plain and unqualified understanding that my account shall be paid promptly every month. Then when I call with my bill or statement I am never put off with the excuse

that the customer was not looking for its presentation. With this class I send, upon the first business day of every month, an itemized bill of all goods sold them the previous month. I do this for two reasons—to save calling upon those who will respond without being visited, and to give all an opportunity to look over their bills and satisfy themselves of their correctness.

A certain kind of man is

Always Surprised

at the amount of his bill, and ready to declare, when he looks at the total, that there must be a mistake. If the bill is handed him in person he wants time to look it over, and I must call again. If I send it by mail he has opportunity to study it at his leisure. A certain percentage of these customers will send their check upon receipt of the bill or call and pay it. Another large fraction will pay when called upon for it personally, and a smaller part ignore the dun by mail and must be called upon again and again before the bill is collected.

Rubber Stamps.

I have a rubber stamp with which I print in large type upon each bill:

“Last Month’s Account Is Now Due.

Please Call and Settle or Send Check.”

Five days after I have mailed my bills I go, or send a clerk, with a statement for collection. Where a man does not pay we ask him to say definitely just when he will pay, and whether he will come to the store or whether we shall call again. This is noted on the statement, and attended to by us. If he fails to keep his promise to call upon me at the set time, I

seek him the next day and continue this system till my account is paid.

In doing this I am careful to make it plain to my debtors that I am in no way influenced by any fears of losing the bill or doubts as to their honesty. I emphasize the fact that my own needs for cash require me to collect closely and promptly. If a man tells me he cannot pay me when I present the bill I always ask him to pay a part of it.

Frequently I can say

By Letter

to a delinquent friend what is difficult to say face to face, or I can say it more effectively; so I write about his past due bill as if its non-payment was of much importance to me, but I make my letter friendly in tone and show him that I want a continuance of his trade. When an account has run

Three Months Over Due,

without having been specially arranged for, I cut off the person's credit at the counter, and I inform him that my bills must either be paid or secured within a certain time. When this time expires and he has not fixed up matters I mention a certain day upon which I will sue the account if still unpaid, and a threat of that kind I invariably carry out.

Another Class of Customers.

The second class of customers includes those who must wait for the crops to be sold or jobs to be finished, such as farmers, wood choppers, lumbermen, etc. In opening an account with such men I have an understanding with each one as to his work, when he gets his pay or will sell his stuff, and just when he ex-

pects to pay me. I make memorandum of this upon his ledger page, and when the time arrives upon which the money is promised I am looking for it. If the debtor is a farmer I drop him a line stating that the amount of his account is \$——; that it was to be paid thus and so; that I have not heard from him and need the money. Will he kindly attend to it? He will either call in and pay or explain why he cannot pay, or ignore my letter. To the latter class I write again, and if that avails nothing I manage to see them when they are in town, or I call upon them and make them realize that I need and must have the amount of my account. If I can do no better I take their note, payable at a specified time, and drawing the highest legal interest.

Giving Offense.

But I try not to offend them by appearing to question either their intention or ability to pay, for I want their good will and their future trade. And I have learned that I am much more likely to lose a man's trade by permitting him to owe me too much or too long than by keeping his account collected up clean.

Very Small Losses.

My business has been largely one of credit; my losses have been very small. My customers find that I make note of a promise, live up to it myself and expect them to do so. I propose to never do anything to weaken this impression. I believe I have sold more goods because I am a good collector, and because I have lived up to this maxim of my own:

CREDIT, TO BE APPRECIATED, SHOULD BE
GIVEN AS A FAVOR.

The Retail Hardware Merchants' Collections.

From an Ohio Hardwareman.

For a number of years the writer has paid particular attention to the matter of collections, a matter that has become vital to the Hardware interests of the country, and a matter woefully neglected in general, and in particular during times that are in any way flush and open.

If ever the good collector developed—he has certainly just passed through a season of training that is full of lost opportunities—have they not been improved along that line? The financial situation has made it possible for men of all classes, no matter what their standing, to say, without loss of credit, and to say it over and over again, “I cannot pay you to-day; you will have to call again.”

This statement, made a few years ago, would have condemned any man, or any set of men, with reputable mercantile agencies. It has not even had its effect in the stringency of the past two years. It has been permissible. It has been more—it has been expected. We have always taken pride in the fact that we were able to keep our accounts close up; that no year that had gone by caught us with much to place to suspense account or to profit and loss. It is needless to say that that pride has had a fall, and that all a man's

patience, pride, good or ill temper became frequently exhausted. After writing and visiting our friends and customers numerous times, in various ways—pleading, coaxing and threatening, to the last not possible to reach—we developed the following letter:

We want to ask you as a special favor to help us at a time when we are needing help. We have not worried our customers concerning their accounts as long as it was possible to avoid it, because money was tight and hard to get. We ask you to kindly take this personally to yourself; put yourself in our place. You may argue, "My account is a small one; they can get along without it." That is not true; it is just yours we want and need. Suppose each one of you were to put it in the same way, where would we be? We are always glad to make you the accommodation of credit. Your account is not large. You owe us but \$——. Won't you kindly let us have it at once? We assure you we need it, and will be very grateful.

Very sincerely yours, _____.

We selected two hundred accounts, in amount from 50 cents to \$50, all of them having been gone over before and some of them many times. We kept tab on each one, and the result, we are pleased to say, was that inside of two weeks after a first careful sending out over one hundred of them had been paid in part or in full. Since that time a number of others have come in and they are still coming. We have had the letter asked for by a number of firms in and out of our city.

Practical Suggestions.

A good thing to bear in mind each and every day is that your accounts should be very closely watched

when they first appear on your books—yes, before they get there.

The old and trite saying, "Look out for the pennies and the dollars will take care of themselves," is a good one. A new one might be coined for the merchant, to the effect that he should look out for the new accounts in their making, and the bad debts will take care of themselves.

Know that your debtor is in every respect a proper one before he becomes such, and have the courage to say No where credit is undesirable. Too many merchants who are capable in buying and selling are weak in respect to credits, and before they realize it their surplus capital is tied up in undesirable accounts. These accounts are not only annoying, but require so much time and attention in their collection that the all important part of a business, the buying and selling, is neglected and profits suffer accordingly.

Apropos of the above is the story of the preacher in the country. His congregation became very much attached to him and decided to increase his salary. When he was informed of their intention of increasing his salary from \$100 to \$150 per month he said that he thanked them for their kind thoughts of him, but that he felt he could not accept the increase, as he found it already required too much of his time to collect \$100 per month, and if he were required to collect \$50 additional he feared he would have no time left for his regular church work.

Form of Statement.

The following form of statement has been used with very satisfactory results:

.....189.....

M.....

Our books show a balance of

.....¹⁰⁰Dollars

*due us. Remember, this is not a **dun**, unless it is past due. If it is past due, and we have accommodated you, the highest appreciation you can show is to bring this in at once, and let me receipt it.*

Very Truly,

.....

All Accounts Due in 30 Days. Subject to Interest After Then.

An Eastern Merchant's Method:

I have a very simple method. I do not know that it is very different from others, but it enables me to say when others are groaning about the matter of collections that mine are good. My bookkeeper reads over to me the first of every month names and amounts (being prepared also to answer questions as to age of bill, and any previous promise as to date of intended payment made by customers), and I direct what and how much effort shall be made to collect it, and first and last I insist on one thing—viz., that a promise shall have a date and not be for a few days or a few months. By this means my trade understand something definite is always expected.

A 30-Day System.

A collector is sent regularly every thirty days with an itemized bill, and if parties fail to pay at the end

of sixty days we send a special man, and either get a note or the money. We commenced this system with fear and trembling, feeling it absolutely necessary to have some system rather than let accounts run in the usual haphazard way. We broke the ice with the following letter to each and every customer who owed us a cent:

Dear Sir: As soon as possible after December 1 we invoice stock and close all accounts, and notify each customer of the amount of his bill as per our ledger. The amount appearing against you is \$——. We will take it as a special favor if you will call at our store and examine the items entering into this account. This will afford an opportunity for correction of errors, if any, and enable us to begin the new year with a satisfactory closing of the past year's accounts. We are,
Very respectfully,

We found that this letter worked admirably, and this we commenced to send everybody who was indebted to us, either by person or mail every thirty days.

RESULTS.—When we ran off our balance sheet this year we found we had a small book account after doing a five years' business. While we are well aware of the fact that we are all taking risk in doing a credit business, however, we feel that closely watching our credit sales, having a set time for all payments, and going after the money when due, is better than to run the risk of losing a part of good trade by changing from our present system to cash.

Changing a Credit Into a Cash Business.

That a business upon strictly a cash basis is preferable to one part cash and part credit, or to one all credit, is conceded by all progressive merchants. But while the theory and desirability are granted, the practicability is doubted—in fact, even derided. To a merchant starting a new business to open and continue an all cash trade is comparatively a simple matter; the rub comes upon changing a credit into a cash business.

Can It Be Done

without injury to my business? Most emphatically yes, if one has push, patience and perseverance; but if one be weak and vacillating, then a negative answer must be given. While the beginning may be marked by a decrease in the amount of sales, yet the net profits will usually be found to be as great, if not greater, than before; for in a part cash and part credit business three-fourths of the profits will result from the cash part. A large share of the items of expense, if examined carefully, will be found to consist of matters relating largely to the credit side of the ledger, such as bad debts, bookkeeper, cost of collection, extra help required, interest on capital invested and a number of other charges traceable to the same cause. In a cash business these are eliminated, while as added sources of profit we have cash discounts, increased custom because of lower prices, quick returns

upon compound interest of money invested and the freedom from that peace destroyer, worry. Besides, one has his business well in hand, is ever pushing it, and with a gilt-edge credit—the best of capital.

Lessened Sales.

Without doubt the first year or two will see lessened sales, but remember it is but the shrinkage from inflation to real value and that the growth afterward will be more healthy and satisfactory than it ever otherwise could be.

The end is desiable, but how is it to be obtained ?

In the first place, decide to change to a cash basis and do it. Do as Cortez did when entering Mexico with but a handful of men against a rich and powerful nation—burn your boats behind you and press on with a firm determination to succeed, and you will. Set a day for the change, and prepare your customers for it by explaining to them as far as possible, either personally or by letter when well acquainted, by circular as we did, or through the press, the advantages to be derived therefrom by yourself, but especially by them.

When we decided to make the change to a cash basis we issued a circular, which was distributed among our customers, as follows:

We take pleasure in announcing to our friends and the public generally that after this date we propose to conduct our business, both buying and selling, on the cash plan.

A long experience in the Hardware business has convinced us that the system of selling goods on credit, to be paid for when convenient, is a most vicious one. The increased expenses of doing a credit business, on account of salaries of bookkeeper and collector, the amount of inevitable losses every year because of bad

debts, which will occur notwithstanding the most careful discrimination, and the loss of interest from having a large amount of capital "tied up" in book accounts, all render necessary a larger margin of profit, which has to be considered as business expenses and paid for by the cash buyers.

Besides this, the bad feeling constantly occurring because credit is given to one customer and refused another, and the disagreeable necessity of being obliged to "dun" customers for past due accounts, confirm us in our determination in the future to sell for cash.

In these times of close competition cash buyers expect, and are entitled to, the very lowest prices, and should not be required to pay the losses incident to a credit business.

In the future it shall be our aim, by giving the most careful personal attention to every detail of our business, to satisfy the demands of close cash buyers, and to carry a still better assortment of carefully selected lines of the following goods. Endeavoring in all things to further the interest of our patrons by giving them all the advantages of a cash system, we shall hope to merit a continuance of the patronage which we have received in the past.

On the other side of the circular we called attention to the fact that we carry in stock a large and complete assortment of the following goods, purchased direct from the manufacturers for cash. The various lines of goods were mentioned under the following headings:

BUILDERS' HARDWARE.

CUTLERY.

MECHANICS' TOOLS.

BUTCHERS' SUPPLIES.

BLACKSMITHS' GOODS.

FARMING IMPLEMENTS.

HOUSE FURNISHING GOODS.

MANUFACTURERS' SUPPLIES.

Show by your prices how much cheaper you can sell now than before, as you surely can. It is unnecessary to make a *pro rata* reduction through your stock, but make leaders many and often, display tastefully, advertise extensively and trade will be attracted. This now can be done with no fear of loss. Upon those articles where competition is severe figure very low, for here comparisons will be made; but from those un-attacked a good profit can be reaped. In the first case, however, good returns will be obtained because the stock is quickly turned into money and reinvested, the interest or profit being now compound instead of simple.

For Cash.

One, except in special cases, can always sell for cash closer than for credit, and in this way is able to make greater inducements to the public to trade with him than can his credit competitor. Without doubt a few customers will become offended when refused trust, but for every one thus lost two will be gained, and as the customers see that their money will go further for cash than when time is given they will soon return. A man if he thinks he has saved money upon an article of good quality will be pleased. Such a customer is the best advertisement one can have. Sell close at a fixed price, back it up by strict honesty and courtesy, and there will be no doubt of your success.

In Changing

to a cash basis, to get the best results most quickly, circumstances will alter cases. With a wide fund to draw from the change can be made at once, but when restricted it is often better to allow, for convenience, a little time to those you know will pay your bill as

soon as presented. They will, however, soon become educated to paying cash. But let the time given be brief as possible.

Our experience of a year in a cash business has confirmed our theory. While the amount of sales has of necessity diminished, we are constantly, by reason of reduced expenses, lower prices, etc., extending our business to fields into which we could not otherwise have gone. Moreover, while selling on much closer margins than before the change was possible, the ratio of profits to sales is greater. But best of all, when we leave at night "we go not like the galley slave, scourged to his dungeon," by worry over approaching bills, but, "sustained and soothed by an unfaltering trust, we lie down to pleasant dreams."

E. D. W.

Sales Record of Cook Stoves.

The accompanying reproduction of a portion of a page from a sales record illustrates a system for keeping a record of goods sold. A complete memorandum is thus presented of each Cook Stove sold—the date of the sale, name of the purchaser, name, style or number, terms, selling price, cost, date of purchase, of whom purchased and remarks. This gives a condensed but comprehensive chronicle of the entire transaction, and it becomes of greater value every year as a reference book. From a record of this kind repairs for the article sold can be ordered at any time, without waiting for particulars to be furnished by the purchaser and the annoyance of delays and errors. At the end of each month or year the merchant can determine whether a certain line has been a profitable one, can see how many goods have been sold and note the most salable sizes, styles or kinds. The record is considered of sufficient importance to justify recommending any merchant to have one made to order, of any desired capacity from one to ten years. Of course it should be kept up to date. The same form of record can be used for Cook and Heating Stoves, Steel Ranges, Bicycles, Breaking Plows, Harrows, Walking and Riding Cultivators, Binders, Mowers, Wagons, Drills, Hay Rakes, Corn Planters, Hay Carriers, Refrigerators, Buggies, Carriages and Creameries. From two to ten pages of the record book is set aside for each of these lines of goods, and only one class of goods is entered on the same page.

Cook Stoves							
Date	Name of Purchaser	Name, Style, & Number	Service	Selling Price	Cost Price	Date Paid	Of Whom Purchased & Remarks
1896							
Sept. 2	Jno. Clevidence	1/2 size, 3 hole, 18"	Cash	25.00	26.50	Aug 1896	C. Curick. Wholesale \$20
" 4	A. A. Dickson	1/2 size, 3 hole, 18"	Note	14	15	" "	" "
" 8	E. J. Williams	1/2 size, 3 hole, 18"	Cash	25	26	June 1896	M. H. Harkness
" 10	R. J. Rave	1/2 size, 3 hole, 18"	"	24	26	May 96	Principles Store Co.
" "	W. Rave	1/2 size, 3 hole, 18"	"	26.50	26	May 96	C. H. Harkness Co.
" 12	A. L. Laguerre	1/2 size, 3 hole, 18"	"	29.00	29.15	" "	" "

Sales Record of Cook Stoves.

The Merchant and His Employees.

Competent Clerks.

The kind of clerks a merchant has about him often play an important part in the matter of his success.

When a successful merchant is sometimes pointed out, it may often be heard said, "Oh, yes; but he has had good men to work for him." The thought that the merchant has had much to do in making good servants out of the men in his employ is often overlooked, and that it was only a matter of luck that he succeeded in employing men who would carefully guard his business interests, while merchants of less success are often quoted as if their failure was due to the incompetency of their employees.

Selection of Clerks.

The selection and management of men is one of the first requisites of the successful business man. If he lacks that inborn intuition of judging human nature he will never be known as a merchant prince.

Results of Treatment.

Some clerks are honest, diligent, careful and alert, owing to the treatment they receive from their employers, while others manifest the opposite characteristics for the same reason.

The Golden Rule.

Every merchant owes it as a duty to himself, and if for no other motive than to advance his selfish

ends, to treat his clerks as he would like to be treated were he in their position.

Autocrats.

Some men who were once clerks themselves often forget this fact when they are admitted into partnership or become employers of labor.

They seem to think that their men are on a lower plane than themselves, and as long as they pay them their wages they are doing all their duty. Very often these same autocrats are much inferior in point of character and mental equipment than the men whom they fancy they own because they employ them and pay them wages.

As a matter of course clerks are expected to obey as well as respect their employers, but how often employers forget to respect the sensibilities of their clerks.

Training.

The merchant owes it as a moral responsibility to use his men in the best possible manner; to encourage them, to train and educate them, and while making them better clerks, and better able to serve him, he is also making them better men.

Incapacity.

Every employer of labor has his patience tried with ignorant, careless and lazy help, but if he sometimes finds he has made a mistake in engaging such, it does not relieve him from doing his duty by them and giving them a chance to improve, and perhaps develop into exceptional clerks.

How a Clerk Was Encouraged.

A merchant was one day discussing his men with his junior partner when the case of a young man in

their employ who was known to be quite ignorant, and seemingly careless, as a great many mistakes were traceable to him, was canvassed. The junior partner urged his dismissal, as he believed it would be for the better interests of the firm were his place taken by one more competent.

The older man, knowing more of human nature, and having more of genuine manliness in his heart, suggested that he be kept a while longer, and that he be encouraged a little and given a little advice. The young man was sent for and an interview with the head of the house in his private office had the effect of greatly stimulating him to further effort. He was told plainly, yet kindly, of his faults, and how hard it was to endure them, and that the welfare of the business demanded an improvement. He was advised to begin a course of instruction at the night classes of a business college and thereby gain a knowledge which would be of direct benefit to him. The result of this interview was that the young man realized his position as never before. He understood that he was a factor in the business, and that his employer had his welfare at heart and was anxious to help him.

It gave him fresh courage and new hopes. He acted on the advice and soon made rapid progress in his studies. With added knowledge he gained more confidence in himself and fewer mistakes were made by him.

It was not long before this clerk became one of the most efficient and faithful of his fellows.

Had the opposite course been adopted, as suggested by the younger merchant, the clerk would have been dismissed, and with that feeling in his heart that "nobody cares for me" he would, no doubt, have gone down instead of upward in life's duty.

Both Sides of the Question.

While there are two sides to this question, the merchant should use charity in the treatment of his clerks, remembering that they have feelings as well as himself, and are anxious to advance themselves and do their best if they are shown any encouragement for honest effort.

Commendation.

It does no man any harm to tell him occasionally that he is doing his work well and commend some little idea that he has advanced. We are so constituted that a little praise has an inspiring effect, while censure often does no good.

L. M.

How to Keep the Store Neat and Clean.

That Hardwaremen in general are noted for their enterprise and intelligence is a fact generally recognized, and for this reason it seems strange that so large a number of them are negligent of the arrangement and cleanliness of their storerooms. A great many of them who have scrupulously clean, neat and tidy houses, and who would quickly find fault at any breach of the laws of order therein, will permit their offices and storerooms, in which they probably spend more of their time, to become so untidy and unclean as to cast reflection on the entire craft.

The fact is, the old proverbs, "Cleanliness is next to Godliness" and "Order is Heaven's first law," are as applicable to the Hardwareman as to his fellow merchant in any other line of business. That it is possible to have a Hardware store almost if not quite as attractive as that of the clothier, dry goods man, or even the jeweler, may be demonstrated by a visit to a store of the modern class, such as are happily becoming quite common in most localities.

When the actual advantage, attractiveness and economy, of such a store is seen, it is a cause for wonder that these facts are not more generally recognized by the Hardwaremen, who, of all others, have the reputation of being the most progressive and ready to adopt any advanced business methods. So, laying aside all moral and social considerations, it seems

strange that there are so many stores of the "good (?) old kind" in existence at the present time.

Old Foggy.

Comparing one of these with one of the modern, progressive class, the contrast is startling and the advancement of late years, especially of the last decade, very noticeable. In locating a storeroom of the former class the size is one of the principal considerations, and such matters as light, ventilation and general arrangement are of minor importance. The shelves and counters are inconvenient, rough and unattractive features; the show windows entirely too small; the floor of wide pine boards, often warped out of shape, while Nail kegs, Case Goods, Agricultural Implements, etc., are disposed around the room with little regard for anything but convenience. Such a store as this can scarcely be made presentable even at the expense of prodigious labor. In contrasting the modern store the difference is such as ought to make even an "old foggy" a convert to the new *régime*.

Plenty of Light.

In place of the plain, open shelves, with untidy rows of goods, and the old, unsightly counters, with the rows of Nail kegs alongside, there are the attractive, cleanly rows of drawers, with the samples advantageously displayed on the background of green or black, and the broad oak counters with the convenient bins for Nails, etc., beneath.

By these arrangements two of the principal causes of untidiness—viz., the open, dusty shelves and the unsightly Nail kegs—are obviated. Another great improvement is the racks or brackets for Steel Goods,

Shovels, etc., by means of which these articles may be suspended from the ceiling or wall, leaving the floor entirely accessible to the broom. The Stoves carried in stock are placed on trucks and may readily be moved for sweeping or display. Then the little untidy showcase, with its seldom changed assortment of Knives, Scissors, Revolvers, etc., is superseded by a larger and more attractive one, with effective display arrangements, while still another improvement of much importance is the windows of large, clear glass, admitting plenty of light and dispelling the gloom usually found in so many stores of the older class.

Attention to Cleanliness.

So much for arrangement, for in that lies half the solution of the problem; but it is not the other and usually neglected half by any means, since no convenience of arrangement or elegance of fixtures can compensate for lack of attention to cleanliness. Of course it will be admitted that it is not as easy to keep a Hardware store presentable as some other lines, but it is not an impossibility by any means. A store may be scrupulously clean so far as freedom from dirt is concerned, yet be far from attractive and inviting, because of the untidiness and confusion. To prevent this is fully as important as sweeping and dusting. To this end waste baskets should be placed behind the counter at convenient intervals, in which all discarded wrappings, etc., should be deposited. Another cause of untidiness is the habit of leaving articles on the counter and ledges after a sale is made, and to avoid this salesmen should be instructed to replace everything as soon as possible. However, it is sometimes impossible to do this during the busy time, but it should be attended to

at the first opportunity, since it not only improves the appearance of the room, but loss by theft, etc., is avoided.

Order.

Where purchases are left to be called for they should be carefully wrapped and plainly marked and put in a certain part of the store. It is important that there should be a certain place for this purpose, and one clerk should be made responsible for these packages as far as possible, as much confusion and annoyance will be avoided by such a plan. While replacing the stock the tools in use around the store should be returned to their proper receptacles and the loose Nails, etc., gathered up.

Covering Counters.

At the close of business the counters, cases, racks, etc., should be covered over with gingham covers to protect them from the dust caused by sweeping and dusting. These covers will be found very convenient, as they not only lessen the labor of dusting, but preserve the goods from damage and soon pay for themselves for this reason alone.

Sweeping.

All stores should be swept daily, and if possible the sweeping should be done in the evening in order that the dust may settle during the night.

While sweeping seems simple enough, it is a fact that it is seldom properly done. To tell the average man that he does not know how to sweep will probably arouse his indignation, but it is true, nevertheless.

To some it may sound ridiculous to talk about the "science" of sweeping, nevertheless, there is a knack

about it which can only be acquired by experience. It is amusing to hear a man speak about the dust in his store when you know that he does not even dampen the floor before sweeping. This scarcely sounds reasonable, but there are many who do not do this. Dampened sawdust, scattered on the floor, is better than sprinkling, since it absorbs the dust, and the floor may be swept cleaner and more satisfactorily. The old broom in the hands of the average "junior" or porter is responsible for a great deal of the dust on the shelves. The sweeping brush is so much better in every respect that its use will be continued after one trial. While the first cost is greater, they are really more economical than the brooms, as one brush will outlast several brooms.

Get It Out of Sight.

The old method of disposing of the sweeping or rubbish was to sweep it under the stove or in the corner, the easiest way to get it out of sight; but the proper way is to burn it wherever possible. If this cannot conveniently be done, it should be deposited in an iron can until it may be otherwise disposed of. It is important that an iron can be used, since there is danger of fire from cigar stumps, etc., where wooden receptacles are used.

Dusting.

Next comes dusting, and it is very essential that this be thoroughly done. Good feather dusters should be used, the windows raised and doors opened, and every particle of dust removed. All shelf goods should be thoroughly dusted at least twice a week, and the upper tiers taken down and thoroughly cleaned.

When doing this the older or shopworn goods should be placed on the top, where they will be the first sold. Attention to these minor details will do much to improve the appearance of the stock.

After the dusting is completed the showcases and windows should next receive attention, as a dirty, grimy case is worse than none, because it advertises carelessness and slothfulness instead of the goods, as intended. It will usually be found necessary to clean the showcases at least once a week, and the samples should be rearranged frequently. The best method of cleaning glass is to use a cloth dampened with alcohol and dipped in whiting, ending with a polish by means of a dry chamois skin. In this way a brilliancy is imparted which is not attainable otherwise. It is a common mistake in cleaning showcases to overlook the metal corners, and the effect is as bad as unfinished work in general. These should be brightened whenever necessary, but all traces of polishing material must be removed from the glass.

In summer much annoyance will be experienced from flies, and at that season windows and cases will require careful attention to keep them clean. An effectual and inexpensive protection against these pests is common colored mosquito netting.

A Separate Room.

Unless it be possible to have a separate room or a certain part of the storeroom for the purpose of receiving and unpacking goods, much dirt and confusion is unavoidable. Wherever possible this work should be assigned to a responsible and trustworthy person, and all goods received by him should be entered in a book especially for the purpose and the invoices checked

from it. This plan does away with many errors and the unpleasantness of claims for shortages is avoided, and it is not necessary to keep the goods out of stock pending the arrival of the invoices. Under no circumstances should the cases be trucked to the various parts of the store and there opened, as such a plan not only causes a great deal of untidiness, but the goods are frequently lost or stolen.

Attention should be paid to the samples in the showcases and on the drawers, and they should not be allowed to become soiled and rusty. Whenever they show tendencies of this kind they should be replaced by new ones at once.

Entirely Out of Place.

Another point worthy of mention is the gaudy and senseless placards, etc., often displayed promiscuously around the room. They seldom improve the appearance of the store, and in many instances are entirely out of place. Of course there are many which are really attractive and may be displayed to advantage, provided they are not too numerous, but nine-tenths should be thrown in the fire. There are many other points worthy of consideration which cannot be treated here from lack of space, but they will readily suggest themselves to any one giving the subject the study essential to its successful application, and it is to be hoped that the interest will continue unabated and the advancement in the next few years be as satisfactory as in the past decade.

M. W. C.

Cost Marks.

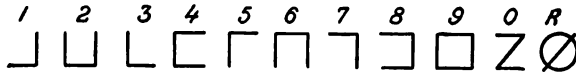
Creating a cost mark without using letters is by some merchants considered so much of a task that it is not infrequently the case that the same cost mark has been used for years by firms who succeed one another. The cost mark of such a house thus becomes known to the other merchants of the town through clerks who have left the former establishment to take up with one of the others.

The matter is, however, comparatively simple. The following cost marks and the keys from which they are evolved will suggest the principle upon which a diversity of marks can be made.

I.

The diagram used in playing Fox and Geese, which is the key to the mark shown, is familiar to almost every school child:

1	2	3
8	9	4
7	6	5

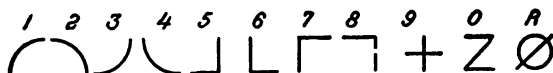
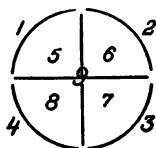
1 2 3 4 5 6 7 8 9 0 R


In any cost mark the O or repeat can be used for a blind to precede other figures. A blind is often required when the cost is represented by two characters and the selling price by three characters or figures, so

as not to impress the customer with the idea that the article is paying a large profit. It is obvious that another character not already in the cost mark can be used equally as well for a blind.

II.

A circle with vertical and horizontal lines crossing is used as a key for the mark shown below:



III.

The principle upon which the following cost mark is made up is that every line on the left of the perpendicular stroke counts two, those on the right counting three:

1	2	3	4	5	6	7	8	9
	┐	┌	└	├	┤	├	└	├
	└	┐	├	└	├	└	├	└
	┌	└	├	└	├	└	├	└
				└	├	└	├	└
				├		├	└	
				└		└	├	
				├		├	└	
				└				

It will be seen that different ways are shown for writing the figures from two to nine, to provide for the same figure when duplicated in the cost mark. Thus \$55.55 may be written:

┐┐┐┐┐

For ciphers letters of the alphabet, figures or some other characters can be used.

IV.

The accompanying cost mark, though similar in general appearance to one described above, is entirely different in make up.

0	1	2	3	4	5	6	7	8	9
	┐	┐	┐	┐	┐	┐	┐	┐	┐
	┐	┐	┐	┐	┐	┐	┐	┐	┐
			┐	┐	┐	┐	┐	┐	┐
			┐		┐	┐	┐	┐	┐
			┐			┐	┐	┐	
						┐	┐	┐	
							┐	┐	
								┐	
									┐

The principle upon which the cost mark is constructed is that the dashes at the top of the perpendicular lines, on either side, count for one; those at the middle, on either side, count for two, while those at the bottom of the perpendicular lines, on either side, count for three. A perpendicular line alone

represents o. The mark at the bottom of the cut is given as an example showing how a cost mark may be written, in which the same figures are repeated while using different signs. The example, it will be seen, reads \$55.66. An X or some similar sign can be used for repeat when found necessary. It may be remarked here that the characters used for cost and selling marks should be unlike.

From the examples given it will be readily seen that a large variety of diagrams can be made the basis or key from which a cost mark can be evolved.

Averaging Retail Profits.

It is necessary in most retail Hardware stores when the sales are moderate in volume to average a gross profit of 30 per cent. on the total annual sales to fully meet all the expenses and depreciations, and permit of a respectable net income for the proprietors.

If the expenses are quite light a gross profit of 25 per cent. may be sufficient to secure a satisfactory net income.

In order to obtain the necessary 25 or 30 per cent. gross profit on sales, it becomes quite a problem to exactly determine how to proportion the individual profits on the various lines of goods to maintain the desired average as a whole.

In a stock of the variety and detail required for modern store keeping some system must be adhered to which can be relied upon to effect the purpose and at the same time permit of a wide range of profits, according to the local competition and the nature of the goods.

To start with, it must be always kept in mind that 25 per cent. on the sales means $33\frac{1}{3}$ per cent. added to the cost; and that a minimum percentage of profit should be established, below which nothing will be sold in the ordinary course of business under any circumstances, unless it is for some good reason desirable to close out the line.

Ten per cent. is low enough for the minimum per cent. of profit, and a retail store which often touches that extreme is treading on dangerous ground.

Every dollar's worth of goods sold at 10 per cent. profit means that another dollar's worth must be sold at 40 per cent. to overcome the deficiency and make the average 25 per cent. on the sales.

Every dealer, therefore, feels the necessity of adding to his stock such goods as will stand a high per cent., to counteract the many staple goods which his trade demands at a close margin.

It is, of course, impossible to state on general principles just what proportion of profit each line of goods should earn to fit individual cases, since the problem in detail is a personal one, and every merchant must be guided by the proportions of his sales in previous years to determine the exact course to pursue; but a casual glance as to the relation of profits may not be without some value.

Taking first the goods which earn from 10 to 20 per cent. gross profit, we class such lines as are very staple and competitive, as Nails, Barb Wire, Sash Weights, Builders' Hardware under contract, and such leaders as may be thought desirable for advertising purposes.

From 20 to 25 per cent. includes a large share of sales. Such lines as Machinists' Tools, Cordage, Files, Paints and generally stable goods sold in moderate quantities.

From 25 to 30 per cent. we find Carpenters' Tools, Wooden Ware, Agricultural Tools, Shelf Hardware and a variety of articles which may be classed as staple goods, but yet of such a nature as to admit of a higher rate of profit.

At 30 to 50 per cent. we come to Table Cutlery, Pocket Knives, Razors, Scissors and Shears, Plated Ware, Tinware, Sporting Goods, Lamps, Housekeep-

ing Sundries and newly patented specialties and novelties.

Beyond these we find some articles which sell singly for a few cents each, as various Brass Hooks, Tacks and small articles of Shelf Hardware in general, which will earn a profit ranging from 50 to 75 per cent., according to circumstances.

Suppose, for example, that a retail store with annual sales of say \$25,000 and expenses of \$5000 requires to average not less than 25 per cent. gross profit on the sales to earn a net profit of \$1250, which represents the total income of the owner.

Under ordinary circumstances the sales would be divided about as follows:

\$10,000 sale at 15 per cent.....	= \$1,500
5,000 " 20 "	= 1,000
4,000 " 25 "	= 1,000
3,000 " 40 "	= 1,200
3,000 " 50 "	= 1,500
<hr/>	
\$25,000 sales equal a profit of.....	\$6,200

or approximately, 25 per cent. gross profit on sales.

Now, it will be apparent that if the expenses were \$5000, as stated, a slight decrease in the goods sold below and including 40 per cent. would leave nothing for the owner; and, indeed, the goods to the amount of \$3000 which were sold at 50 per cent. more than covered his entire income and constituted his sole support.

If the sales had been so divided as to have earned a gross profit of 30 per cent. in place of the 25 per cent. his net income would have been \$2500, or double what it was at 25 per cent. The difference between these per cents. (25 per cent. and 30 per cent.), while

seemingly slight, is, therefore, in reality a matter of 100 per cent. in net income to the owner.

To illustrate the difference in net income compare this table of sales with the former example:

\$5,000 sales at 15 per cent.....	=	\$750
5,000 " 20 " 	=	1,000
5,000 " 25 " 	=	1,250
5,000 " 40 " 	=	2,000
5,000 " 50 " 	=	2,500
<hr/>		
\$25,000 sales equal a profit of.....	=	\$7,500

or exactly 30 per cent. gross profit on the sales, netting the owner an income of \$2500, or, as stated, 100 per cent. more than the same amount of business with the same set of expenses earned at 25 per cent.

In order to secure this result it is necessary to be continually pushing forward new goods, which naturally earn a higher per cent. of profit than do staple articles.

It is also necessary to carefully discriminate between the selling qualities of goods as regarded in the light of earning capacity, without regard to their relative cost, since some lines of goods, costing, say, \$8 per dozen, will only retail for 90 cents each, or 25 per cent. profit on the sales; whereas another line of wares costing \$8 per dozen will sell for \$1 each, or 33 1/3 per cent. profit on the sales, which means a more than doubling of the owner's net income for the year.

It is for these reasons that the necessity of departing from the old ruts of the trade of the past and handling any class of goods which may be profitable, without regard to personal prejudices as to what constitutes the supposed limits of "straight Hardware," has been so often urged upon the retailer. In fact,

there are to-day no "limits" recognized by leading merchants in any line of trade. While this departing from the old established customs and the breaking down of the mythical fences which once separated the various lines of merchandise may be for some sound reason roundly deplored, still, since it is "a condition, and not a theory," which confronts us, it only remains to steer our mercantile craft out into the tide of current events, rather than to waste our substance in a futile endeavor to retain an exclusive position, acknowledged by practical example to be commercially untenable.

Changing Business Conditions and How to Meet Them.

It must be apparent to every observant retail Hardware dealer that his business is passing through a crisis of so serious a nature as to demand his utmost thought and attention. The stress is naturally greatest in the large cities, for the phenomena of commercial evolution finds earliest expression and widest expansion in the great centers of population. The first serious loss is the steadily diminishing trade in all Carpenters' and Edge Tools, and this, from causes often pointed out before, will grow worse instead of better.

There is some compensation in the growing demand for Machinists' Tools, but unfortunately for both jobber and retailer many large factories using these tools often buy direct from the manufacturers themselves.

In Builders' Hardware, outside of the cheaper grades, the trade is fast becoming centered in those large dealers who are equipped with salesmen, samples, information and prices necessary for the handling of this complicated line. In fact, the proper presentation and sale of the artistic Hardware that is now the necessary accompaniment of every large or fine building is so much a specialty that the average retailer is forced to abandon it to the one who has made it a study.

In House Furnishing Goods, and all the numerous small Hardware that the householder uses, the trade is fast being absorbed by the department store, with which the retail Hardware dealer can never successfully compete as long as he clings to his present methods.

In the country matters are much better, and will probably always continue so, but the difference is only in degree and not in kind. As villages and towns grow larger, the changes we have noted will be felt with constantly increasing pressure. Our sympathy with the retailer should not blind us to the fact that no artificial methods can be of any service to him whatever. No associations, however strong or numerous, will ever prevent the department stores from obtaining all the goods they want or in any way curtail the scope of their operations. To invoke legislation is merely to invite a failure.

Whatever may be the evils of the department store, it is but an expression of the economic tendency of the times, since it represents the power of concentration of economy and of discipline. In its position of cheapening the cost of goods to the consumer it is absolutely unassailable, since it is thus in perfect accord with all the forces of modern civilization.

The way out of the plight into which the retailer has fallen does not lie in a hopeless war with modern methods, but in a clear comprehension of the drift of the times and in adaptation to his new environments. The only remedy that is at all apparent is along the lines of expansion and increase in variety. This has been clearly apprehended for some time by all the successful manufacturers and jobbers, for it may be stated as a broad generalization that the day of the specialist,

as such, is fast passing away in the commercial world. This is the more significant because of the exactly opposite tendency in the professional world, but the reason is not far to seek. It may be set down as an axiom that the very first requisite for extended success in business is executive ability, even knowledge being secondary by comparison. Thus it has been found possible to combine many specialists, each in his own department, under one executive head to much better advantage than if each specialist was operating solely on his own responsibility.

Neither manufacturers nor jobbers have courted this growth in variety, for it is much more economical to expand from the inside than to grow by accretions from the outside, but it has absolutely been forced upon them if they were to grow or even hold their own. Those firms who clung to old methods, and were content to sell nothing but Hardware, are finding that their business is fast drying up. The same tendency toward expansion in variety is just as strongly marked in other lines of business, such as dry goods, groceries and the like, as in Hardware. The successful retailer of Hardware has almost unconsciously been pursuing the same plan and handles great numbers of articles that 20 years ago were regarded as entirely foreign to his business. Only by a continuation and extension of this policy can he hope to solve those problems which now confront him. He must learn, moreover, to disregard that old fallacy which confined a dealer within the limits of his so-called "legitimate" sphere, since common sense dictates that within the requirements of honesty and decency a dealer may handle anything that is profitable to him and advantageous to his customers.

Starting in Business.

I.—GETTING LOCATED.

For more than a week I had been tormented by a column of figures of four items. At night they glowed phosphorescently from the ceiling as I lay in bed. At breakfast I tried to assimilate them with my coffee and rolls. I could think of nothing, see nothing, but

Cash in bank.....	\$500.00
Railroad stock.....	500.00
Building and loan.....	450.00
Real estate	800.00
Total.....	<u>\$2,250.00</u>

I had been working and saving for five years toward starting myself in business. As a clerk in a Hardware store on a salary of from \$15 to \$18 a week this was slow work. At the age of 30, married, I found myself as far advanced after working six years for my present employer as I had hopes of ever being. I must either be satisfied with the prospect of becoming a gray-haired clerk behind another's counter—being a partner was out of the question—or make a supreme effort for independent existence.

With so small a capital could anything be done? Times were hard. Business declining. The indications at the store pointed strongly to a lay off for an indefinite period. The conditions in this case, as in hundreds of others, pointed to a struggle in which the winner is wise, the loser a fool.

The Die Cast.

Returning home one New Year's morning, I was strangely exhilarated, considering the uncertainty of the prospect, and exhibited a seemingly unwarranted buoyancy as I gayly informed my wife that the die was cast; that I had notified the old man I was going to quit, and had given him a month's notice, and this without knowing where I would locate. I had burned the bridge, there was no retreat. However, I was determined to be located somehow, somewhere, by April 1.

Established Business or New Stock ?

Aside from the difficulty of choosing a location there now arose for consideration the advisability of buying an established business or starting with a new stock. If an old business was bought there would be a solution of both difficulties. The files of *The Iron Age* were consulted, and correspondence entered into with owners of half a dozen stores. Pending their replies the traveling men were taken aside and questioned for locations. While these investigations were proceeding, the fact was impressed upon my mind that in the store, which I was soon to leave, there were shelves of goods that were hardly touched from one invoicing period to the next, while in other parts of the store the stock was turned from three to five times a year, so that out of a capital of \$20,000 from \$2000 to \$3000 was unproductive. A feature of all Hardware stores of general assortment is the difference in margin of profit on goods handled. With a small capital why not use it in buying only such goods as could be sold on a good margin, and for cash ? This suggested Tools and Cutlery, the articles used in

and around the house, and such Hardware as the term Shelf Goods implies. With this thought in mind I was disappointed in reading the replies to my letters from those who had places to sell. Tin shops doing a roofing and spouting business, or Plumbing shops, with a little Tinware mixed in, were the stores that could be bought with my capital.

A New Stock Decided On.

Relinquishing the idea of buying an established business, I now devoted my attention to the single idea of putting a new stock, as outlined, in the best location I could find, either city or country.

To the nearby towns I would take a run in the evening, or on a Sunday afternoon. When a town was farther from the city I would take a half day or day from the store, with the firm's consent, as the time lost was deducted from my wages.

"Boom" Towns.

In this way I became familiar with the operations of "boom" towns, which spring up in a night around some manufactory induced to locate by the promise of a bonus. In the prospectus these were pleasing. Investigation proved that not only was man vile, but the prospect also. Towns that depended upon one industry, be it iron works, potteries, glass factories or cotton mills, in the event of shut downs, depressions or strikes, are bad places for the storekeeper.

An Ideal Location, But — !

Three weeks of the four had passed; I had but one week left before joining the great army of the unemployed, when a traveler told me glowing tales of a

county seat of 5000, located in a rich farming section, and with only one Hardware store. My imagination pictured this as the ideal location, where rents were low and living cheap. I spent the entire day at this place, and found the description given by the traveler true—as far as it went. It was a county seat. The farms were good. There was one Hardware store. But ——! Upon this familiar article of Hardware hangs the unlatched gate of truth, half told. Only after I had found one of the partners of the opposition store—that did business 30 years before—did I get the other half. Seated upon cracker boxes behind a cannon stove, in one corner of a very small grocery store we looked over the old ledger and in it traced the town's decay. Together we went over the old store, unoccupied for years. The empty Nail bins, worn counter, the creaking floor of the decaying building, each in its own language speaking of business the glory of which had departed, owing to the railroad coming through, ten miles from town. In the new town, located upon it, the farmers now did their trading.

Why Not the City ?

Returning to the city in the evening, I was met by the life that is the city's charm. The brilliant lights, the "zing" of the trolley cars, the hurrying crowds—these made my heart throb. Why search beyond for what was at my feet? Here I was known. Here also I knew the people and their requirements, and here would I locate. In our city was what had once been an open piece of ground; long ago this had been built upon and in time became the best retail section and was called the square. Here rents for storerooms

were from \$100 to \$125 per month, while running into it, at an angle, was an extension of the old Pike Road, lately opened through by the Traction Company, influential in the city ring. This extension was only a block in length. Half a block off the square was a two-story brick building, from which the new street had taken about 10 feet off the front. This had been remodeled into a storeroom, and could be rented for \$45 per month.

Coming to Terms.

The landlord and I soon came to terms, and on Saturday night when I left the old store on the last day of my fourth week I had in my pocket a year's lease of "all that certain storeroom," &c., 20 x 75 feet, containing two show windows with door between, good cellar under, 50 feet, and three good stock rooms on the upper story—the whole extending to an alley in the rear.

Some Advantages.

On the corner of the extension and the square a three-story yellow brick was nearing completion. This was to be occupied as a branch by a high grade dry goods store, with main store farther down town. The post office was next to the new building, and in the rear, near my place, was a blacksmith shop. The extension provided a short cut to the retail district for the people living in the best residence part of town—the homes of the moderately well to do.

For obvious reasons I did not intend to cater to the very wealthy nor to the very poor; therefore this place promised, in my judgment, to provide me with a good location for distributing the particular lines I intended to carry.

II.—BUYING STOCK.

The location being selected, the next move was to buy the stock. I found I had \$1450, part of which, the cash in bank and railroad stock, was immediately available. The Building and Loan I could get in from three to six weeks, while the real estate, being an unimproved rural lot, represented an amount uncertain as to exact value and period of realization. It would take a month at least to get in the goods and fit up the storeroom, so part of the cash capital must be reserved for living expenses and fixtures. For this I put aside \$450, estimating an even thousand for merchandise.

Buying Goods for Others

was not entirely a new experience for me, so I looked forward to purchasing my stock with more pleasure than diffidence. Being acquainted with many traveling men, I had them advise me when they would be in the vicinity. At this season many wholesale houses were sending out their representatives. I therefore found no difficulty in making appointments for early dates. Our local jobbers were apparently not concerned about the loss of trade that should be theirs. In refusing to meet the prices offered by jobbers from other cities, they let stock orders go to outsiders, pick up orders only being given to them.

The Outlook.

Commencing Monday morning, for a week I may be said to have lived at the hotels. Trade was evidently very bad with the travelers, as no sooner was it out that there were a few hundred dollars to be spent

than I was approached from all quarters, and by men having all kinds of goods to sell. For a brief space I enjoyed great popularity, yet, for a moment, my heart sank as I thought of the doubtful prospect ahead of me, emphasized by this evidence of hard times—the eagerness with which these salesmen worked for the trifle I could give them.

Sound Advice.

My first appointment was with the representative of a jobbing house from whom I bought the largest bill, about half of my cash capital. His samples were spread out in his room, on trestles, trunks and the bed, every piece of furniture having on it some article of Hardware. He knew the goods would be sold for cash. I therefore appreciated his candor and the risk he ran of losing the order, when he advised me not to think of starting in business with the expectation of being carried by the people of whom I intended getting my goods. “Run your own business,” said he, “or you will be far better off to remain a clerk.”

Merchandise from his house was in the following proportions:

My Order.

Hatchets, Hammers, Planes and kindred Tools.....	\$60.00
Chisels and Bits.....	12 00
Files.....	31.00
Sand Paper and Emory Cloth.....	12 50
Screws, Flat Head, Bright only.....	19.41
Bright Wire and Brass Wire Goods.....	10 25
Grass Hooks and Pruners.....	5.00
Shovels and Spades.....	14 55
Halter Chains, Dog Chains.....	11.65
Screen Doors, Window Screens, Catches, Spring Hgs....	25 00
Wringers.....	25.25

Cutlery :

Pocket Knives and Razors.....	\$104.98
Table Knives and Forks.....	14 50
Egg Beaters, Thermometers, Picture Cord, Liquid Glue, Spool Wire, Padlocks, Chalk, Pencils.....	55.00
Black Wire Cloth.....	30.00
Poultry Netting.....	25.00
Ice Cream Freezers.....	39 55
Lawn Mowers.....	60.00
Total.....	\$555.94

Other Purchases.

The balance of the capital was divided among various houses as follows:

Braces, Revolvers, Hair Clippers, Glass Cutters, Plyers, Rules.....	\$36.20
Stone Ware and Water Filters.....	25 00
Imported Kitchen Ware.....	30.00
Tinware, Japanned Ware.....	121 66
Enameled Iron Ware.....	35 00
Wooden Ware: Brooms, Tubs, Buckets.....	30.00
Mixed Paints, Varnish, Stains.....	106.22
Brushes: Varnish, Paint, W. W. Heads, Counter Dust- ers, Whisk and Floor Brooms, Horse and Lather.....	65 00
Heavy Hardware: Nails, Strap Hinges, Sad Irons, Wheelbarrows.....	75.00
Step Ladders, Curtain Stretchers.....	25.00
White Lead, 12½ and 25 pound kegs; Linseed Oil and Turpentine, 10 gallons.....	40.00
Tacks, Cartridges, Wrenches, Oilers, Trowels.....	35.00
Oil Stoves, Hot Plates and Ovens.....	25.00
Twine, Toilet Paper	12.50
Saws.....	25.00
Razor Stropps.....	8.25
Grand total.....	\$1,250.77

Cash was paid for all purchases, the money in most instances being sent with the order, but all bills were paid inside the discount limit.

Assortment.

The distribution as above specified proved in the main satisfactory. The worst mistakes were in estimates of quantity and assortment. Thus, there were too many Freezers; the Lawn Mowers were poorly selected, too many large, high priced machines and too few cheap ones for small lawns; there were too many 14-inch Flat Bastard Files and too few Taper Saw and Warding. On most of the lines the assortment was large and the quantity small. I pitied the entry clerk, there were so many fractions of dozens. In fact, my battle cry was assortment. In order to get the quantity I wanted I was often subjected to considerable humiliation. The Razor Strops ordered were sent as samples from which to select stock order. I kept the samples and dispensed with the stock order.

When I had a customer for Strops at first I had an assortment he would not find in larger stores, and as the stock diminished I knew just what were the sellers and could reorder accordingly.

Considerate Competitors.

However hard I struggled to get a good assortment, I knew there would be demands for articles not in stock. For this reason I did not make any further purchases, deciding to find out by experience just what would be wanted. I realized clearly that every effort must be made to satisfy the demands of my customers, and that quickly. To do this I must arrange with my competitors to fill such orders.

My reception into the ranks by the established firms was rather a pleasant surprise. I was prepared for almost anything disagreeable, and, though not exactly

received with open arms, yet there was manifested a businesslike appreciation of the situation that reflected credit upon the Hardware fraternity. The warning generally given was, "Don't cut prices; one man can't do all the business."

As we had no association I had to call upon the Hardwaremen at their places of business. We arranged to have monthly settlements, bills to be priced on a profit sharing basis.

III.—FITTING STORE ROOMS.

Early on a cold morning in the second week in February I shiveringly surveyed the vacant rooms, looking at the bare walls for inspiration how to arrange the shelving to the best advantage and at the least cost.

While thus engaged the door opened and the tallest and thinnest specimen of a boy that could be conceived hesitatingly entered. "Want a boy, mister?" he inquired, abruptly, looking at me so sharply that I was impressed by the contrast between his style of entering and his businesslike address. I certainly did want a boy, and Gilbert, or "Gimlet"—the sobriquet into which his name was soon resolved—agreed to make himself generally useful for the sum of \$3 per week. Putting him to work cleaning out the cellar I went out to hunt up shelving.

The Shelving.

From a man who was closing out a drug business I secured a section of shelving that would do for the rear of the store. From him I also bought an 8-foot flat glass showcase, oak finished, three bent wood stools, a letter press, and a piece of linoleum in fair condition,

12 x 30 feet, paying \$29 for the lot. At the planing mill I engaged 30 feet of shelving at \$1 a foot, base 24 inches deep and 34 inches high, making a counter ledge 12 inches wide. This was to be surmounted by a tier of shelving 7 feet above the ledge and coming within 30 inches of the ceiling. Below the ledge eight drawers, costing \$6, were put in to hold Glue, Twine, Wood Spigots, &c. This was to be the Hardware side. The shelving came from the mill in such shape that one carpenter put it together in three days. At the rear of the store a partition extended across the room where the shelving ended.

Tinware and Kitchen Furnishings.

The other side of the room was reserved for displaying Tinware and Kitchen Furnishings. While the carpenter was working on the Hardware side Gimlet and I devoted our attention to the House Furnishing side. In order to have the goods displayed well I wanted shelving that would be without partitions.

Shelving Without Partitions.

This was obtained by spiking strips 1 x 3 from the floor to within 30 inches of the ceiling, placing them 4 feet apart. To the strips were screwed steel shelf brackets, upon which rested the shelves; the top one, 18 inches wide, for Wash Boliers and large articles; the next six shelves 12 inches wide, and the last 24 inches wide. This was supported upon cross pieces, one end resting against the uprights and the other upon light turned wooden posts.

An Experiment.

The room was now provided with shelving except 12 feet on the House Furnishing side; this was left

bare in order to try an experiment. We nailed six strips 1 x 2 horizontally to the brick wall 1 foot apart, ending 4 feet from the floor. Below this we placed steps, built for ease of handling in two sections. The rise of the first step was 17 inches, that of each of the remaining two 9 inches with the tread of all the steps the same, 9 inches. The entire space, steps and wall, was now covered with a red material the dry goods man called French crepon. This gave a bright background that would not fade nor easily show the dust. Into the strips, which were now concealed, we secured 6-inch wire Cornice Hooks, the intention being to hang articles with a bale or handle upon the hooks, and place the larger articles upon the steps.

We used nearly a bolt of the crepon covering the wall and steps; the remainder we intended using in trimming the windows. The lumber for shelves and steps cost \$8, brackets \$2, crepon \$4.25, while we used a half gross of the Cornice Hooks.

The carpenter was now out of the way, so Gimlet and I, with cherry stain and brushes, proceeded to bring the shelving into harmony with the crepon.

Arrival of the Goods.

By this time the goods began to arrive. After the most of them had been opened, marked and placed on the shelves we brought in the linoleum, putting the best part to the front and cutting and patching as we got to the rear. After which we gave the entire surface a coat of floor varnish. The showcase rested on legs like a table, leaving an open space underneath. The wrapping and scale counter was placed on a line, but to the rear of the showcase.

Improvising a Counter.

This counter was made by tearing off the warped top of an old table Gimlet found in the cellar, recovering it with pine boards. When stained this answered very well as a temporary arrangement. The plan used on the House Furnishing side, with the wide lower shelf, not only brought all the articles in plain view, but also rendered a counter unnecessary.

Anticipating a very light trade in Nails, and that strictly in a retail way, I used the kegs to sell from, keeping them concealed back of the partition.

In the cellar, extending the length of one side, we built a platform 4 feet wide for White Lead, Crocks, Tubs, &c. Overhead we fastened racks to hold Poultry Netting, Pick and other handles.

A Shocking Discovery.

Coming to the store one morning I noticed a placard on the door of a vacant room, nearly opposite mine. I had been informed this was to be occupied as a meat shop. Stopping before the placard, in order to find out when my probable customer would be ready for business, I read the following:

“On or about April 1 this store will be occupied by Binnes & Ruffing with a complete line of House Furnishing Goods. Estimates furnished on Sheet Metal Work, Roofing and Spouting, Galvanized Work, &c.”

This was a double shock—a customer lost and a competitor gained. In my mind these questions arose one after the other: Who are these fellows? Where do they come from? How will they affect my trade? However these questions were to be answered, there soon developed a tacit understanding that a race was

on to determine who would be ready first to open up for business.

Things Getting Into Shape.

In the cellar and storeroom proper we now had the important part of our work done. Inspired by the spirit of the contest, Gimlet worked energetically on the second story piling empty packing cases. These placed sideways, one above the other, with the lids off, made practical though rough stock bins for Stove Pipe, Elbows and other unsightly articles.

Selling His Rival's Customer.

While Gimlet was thus employed I was putting on the last touches in arranging the Mixed Paints, when a burly German came in the room, saying: "Bin der Roofing company?" In his hand he carried a large sprinkling can, such as gardeners use. Supposing him to be looking for a place in which to have it mended, I replied accordingly. My reply seemed satisfactory, as he bought a new can and left the old one to be mended. Some time after I learned that my German friend had been looking for the shop of "Binnes & Ruffing," and had thus given me the opportunity to profit, innocently, by my rival's proximity.

IV.—THE FINANCIAL DEPARTMENT.

So far the work had been comparatively easy, inasmuch as my previous training had given me a certain amount of confidence in planning and executing these details of store management; but ahead of me was an unknown territory. In the field of finance I felt my incompetency, and while at other times a

strenuous opponent to the thought of being associated with another in business, in my weakness I looked to a partner for support. Such a horror had I of a long column of figures, the bare prospect of having to add them would paralyze my defective mentality. It was, therefore, with intense satisfaction I turned over the entire responsibility of accounts, trial balances and such terrors to one whose interests were identical with my own—my wife.

Intuition is conceded to be an inherent quality in most women; ability a quality found in a lesser number. With these united in the head of the financial department I was free to devote my time to what I considered my proper sphere.

The work now went ahead with a vim, Gimlet keeping a jealous eye across the street, informing me, from time to time, of the progress made by our rivals.

Circularizing.

One evening while the financial department was checking extensions and footing bills she stopped long enough to propound the following: "Do you expect many of your friends to follow you from the old store?" I did not. There might be a few with whom I had become well acquainted, but, I reasoned, a clerk's following must be limited, as the majority of people dealing at a certain store are drawn there by the assortment, stock, price, and the thousand and one inducements that establish a store's prestige.

Before leaving my employer I had been very careful not to solicit in any way the trade of my friends. With that impediment removed it was now proper to make the announcement. All of my friends that I could reach quickly I saw personally, getting from

them a list of their friends, keeping a record of all in a book alphabetically arranged, and copying the names of those that lived in our territory from the directory. The financial department evolved an announcement in the form of a unique folder, so worded as to interest the ladies particularly. These we sent through the mail, sealing them in envelopes without our business card, to insure their being opened. As I afterward learned, the store was fairly well advertised by this method of securing names, so the announcements to this class brought a good return; while the circulars sent to strangers whose names were taken from the directory, as far as results could be traced, brought us no direct return.

Trimming the Windows.

After the circulars had been mailed we were ready for business, all but trimming the windows. One of these I used for Tools, Cutlery and general Hardware, the other for House Furnishing Goods.

I wanted both windows to be well trimmed, but in one, at least, I longed for some device to attract attention. Everything suggested was too expensive, I thought. In looking over the stock I found some magnetic Tack Hammers that answered very well. These were arranged close to the glass, and in such a way that a festoon of Tacks swung from one Hammer to another. A very simple arrangement, so simple that I was afterward surprised at the number of people who did not know what kept the Tacks from falling. The wall side of the window was covered with black cloth upon which Squares, Bits and Chisels were arranged in geometrical designs. The floor of the window was arranged to represent a marine scene, showing a river

widening into a harbor with lighthouse at one point and a small ship heading for the ocean. Green Wire Cloth was shaped to represent the "foaming billows." Mouse Traps, Padlocks and smaller articles outlined the shore, which rose gradually as the articles became larger, culminating in a mountain of Mixed Paint cans. "Credit Rock" lighthouse was built of boxes of Cartridges, and surmounted by a toy lantern containing a one candle power electric lamp. The little ship "Enterprise," a toy boat with Sandpaper sails, was pointing her bow away from "Credit Rock," and sailing down "Cash River"—made of nickels and dimes—to the open sea of "Public Patronage." The names were plainly printed with a rubber window ticket outfit, so there would be no doubt as to the meaning of the display. When a "rounder" came for a Saw or Hammer "till Saturday night," his attention was called to the dismantled wreck at the base of "Credit Rock Light." The other window was filled with Kitchen Ware, prices for which being plainly ticketed, but with no attempt at elaboration.

Blessings in Disguise.

While at work on the windows a stranger came in, apologizing for intruding before customers were expected, and making a trifling purchase, remarking that it was a pity that a new man should have competitors so close. I intimated that perhaps it might be a benefit, inasmuch as any store that could attract new trade would help the whole street. Warming up over this view, he informed me he was cousin of Binnes, of "Binnes & Ruffing," and had come to find out if I intended to start a cut in prices or in any way fight the other house. He introduced me to my

rivals, and we soon came to an amicable understanding. They were to do such repair work as came my way—an arrangement that proved very beneficial, as it brought strangers to my place, a 5-cent soldering job often being the foundation for a permanent customer.

Ready for Business.

The lights were now connected, insurance placed, and in a day or two the bark would be launched. By this time I had received several calls from my Hardware friends on the Square. One of them caused me to feel chagrined by a remark he made as he surveyed the House Furnishing side of the store, the particular arrangement I thought so effective. Said he: "There is one peculiarity about House Furnishing stocks: they all look as though they had been stirred up with a stick."

On the last day in February the finishing touches were put on the windows. When I locked the door that night the order and cash sales books were dated, small change in the money drawer, and everything ready for business March 1.

The race with my rivals ended in a draw, as both of us threw open our doors on the same date.

V.—FIRST YEAR IN BUSINESS.

A problem now confronted me, more important than any so far encountered—viz., to determine what amount of business must be done to make the undertaking a success. There were bills on the file that would run the stock of merchandise to \$1500. Calculating on a turnover of three times a year, the sales

would be \$4500. Against this must be charged the various items of expense, of which rent and insurance were the only ones known. The following shows the various estimates:

Fixed Rent.....	12 per cent. of \$4,500 =	\$540.00
" Insurance.....	$\frac{1}{2}$ " " 4,500 =	22.50
Estimated Light.....	2 " " 4,500 =	90.00
" Heat.....	1 " " 4,500 =	45.00
" Advertising.....	2 " " 4,500 =	90.00
" Expense.....	5 " " 4,500 =	225.00
" Freight.....	3 " " 4,500 =	135.00
" Bad Debts.....	3 " " 4,500 =	135.00
" Mdse.....	$51\frac{1}{2}$ " " 4,500 =	2,317.50
" Net Gain.....	20 " " 4,500 =	900.00
	100 per cent.	\$4,500.00

It was also necessary to know each day how the business was going. In one book a record was kept of cash sales. In another was entered all daily cash transactions, on the debit side entering cash received and cash sales, on the credit side all money paid out, balancing the book every night. The order or charge book showed all orders received, both cash and credit. From these books the daily business was easily ascertained. As the thermometer of the business they were scanned with more than ordinary interest, despairingly in March, hopefully in April and joyfully in May.

The thought of the inventory period was constantly in mind, when the estimates would be verified.

Stock Deficiencies.

Opening day, March 1, had not come to an end before the fact was made known that the stock was minus many articles called for. This we endeavored to conceal from the customers by the exercise of such ingenu-

ity as we possessed, together with a system of signals. In this we were materially assisted by the alley in the rear and the arrangement made with the dealers on the square; so, when a mason asked for a Plumb Rule I told Gimlet to fetch one from the stockroom. This meant that he was to slip out through the alley and run to the nearest Hardware store. On one of these occasions we showed some Spoons to a lady. After hesitating a while she bought them, remarking that she had seen the same kind at another place, and as all the stores seemed to have the same patterns it would be useless to look further.

Prompt Delivery.

By such subterfuges we endeavored to impress the fact upon the people that at our place they could get anything they wanted. This helped us. Another fact emphasized was prompt deliveries. During our first week a good customer was made by promising to deliver a Wash Boiler in half an hour and sending it in 15 minutes.

Tricky Customers.

For several weeks we were annoyed by persons who had exhausted their credit at the other stores coming to work us. This they would do by paying a while before requesting credit. Some of these I knew. By saying no repeatedly I escaped many, but not all. One of the most aggravating experiences was with a young woman. She had a winning smile and all that sort of thing, and selected a bill of Stains, Floor Varnish, etc., to be charged "C. O. D.," giving a well-known name. The address was found to be a vacant lot. Several times we had strangers come back after making a pur-

chase, claiming to have received too little change. With the cash book check on the money drawer we could quickly demonstrate the truth of such a statement.

Unsatisfactory Goods.

Nearly every day occasion was given to prove that a Hardwareman must be informed not only of the grades and qualities of the goods he handles, but also must have a practical knowledge of their working qualities. A lady bought an Ice Cream Freezer and condemned it as utterly useless. "A lady friend who knew all about making ice cream tried for three hours to freeze with it and it was just no good at all." Investigation showed that the "lady friend," as soon as the salt melted the ice, poured off the water. With the salt water left in the Freezer cream was frozen in ten minutes. Another customer condemned a section of Rubber Hose when the only trouble was the Washer had been lost. These and a hundred others kept one busy straightening out complaints.

My conservative purchases required continual watching to keep up the stock, but they led me along safe lines. In one clip my entire stock of Turpentine and Oil was closed out, so my next purchase was by the barrel.

Odd Jobs.

In one corner of the room, back of the partition, I fitted up a work bench. Here at dull times I could watch the store and at the same time do such light repairing as mending Wringers, making Keys, honing Razors, and a surprising number of odd jobs that brought in sums nearly all of which was clear gain. I never before fully realized the injurious effect of tak-

ing things for granted. The everlasting joke of the comic papers on putting up Stove Pipe caused me to look upon such a job as among the impossibilities, as far as I was concerned; but after learning how to use the snips, before attempting my first job, I went to my second with the confidence of a professional tinner.

The First Inventory.

As the months went by I knew the business was paying. However, the month of February was looked forward to with peculiar interest as the period for taking the first inventory. I would not have been discouraged if the first year it had paid expenses only, but it did more. The inventory showed a very satisfactory gain, and, although not exactly the same in every particular as the estimate, the result was very close. The stock was turned three and one-quarter times. The item of expense was larger than the estimate, while those of heat and light were less; that of bad debts was one-half of 1 per cent. of the sales. The cash discount taken on all bills nearly balanced the item of freight.

Experience Gained.

The first year in business taught me much. I learned that there is a vast difference between being a good salesman and being a good manager; that a cash business is the only business; that the majority of customers are not unreasonable—when a complaint is made there is usually cause; that promptness in attending to small transactions develops opportunities to handle greater ones. My year's experience also demonstrated the large possibilities in the lines of goods with which I started, and the policy of the future

would be to add to them as much as the increase in capital would warrant. At the close of the year's business there was a more hopeful feeling than at the beginning. Figuratively the sky was clearing. Literally it was clouded by dense columns of smoke issuing from factory chimneys.

The Bird of Prosperity

was hovering above us, and, although wavering and uncertain when to alight, the bare sight of the bird was reassuring. The bag containing the salt of hopefulness was made ready preparatory to sprinkling his tail liberally, while a few grains of advertising corn were scattered around to entice him my way. With the air full of sustaining features preparations were made for the second year in business with renewed energy. The enterprise had, by living, proved its right to exist, and with the advent of better times we might look for a larger measure of success.

Profit Figuring System.

Within the past few years the close competition which has characterized business transactions, reducing profits to a narrow margin, has resulted in the sale of many goods at an actual loss, when the cost of carrying on business is considered. In this state of things the necessity has been brought home to many careful and enterprising merchants, who are desirous of following correct methods of business, for the adoption of some system by which an accurate record shall be kept of all transactions, so as to show the profits realized in the different departments of the store and on the sales effected by the different salesmen. A good deal of attention has been given to the subject, and it is safe to say that at the present time much more care is taken in this regard than ever before. The methods adopted by merchants who give thought to the subject are naturally quite diverse, but in view of the importance of the end to be accomplished are of general interest. We describe in this article one system which has been found to work satisfactorily for several years in a house doing a large and varied business.

Following the methods here illustrated the sales of each day, week, month and year are shown, with the profits which have been realized, and at the same time the sales of each individual salesman and the profit realized thereon. A general view of the business is thus given, which is regarded as of great value. Using

this system it is not necessary to wait for the annual or semiannual inventory to determine how things are going; whether a given department is making or losing money, or whether the work of salesmen is profitable or otherwise. Errors of judgment or policy can thus often be corrected before they have become serious in their consequences. This system, reflecting as it does the earning capacity of each individual salesman, measured by profits rather than the gross

Goods can not be delivered without a Bill written upon our Autographic Register and no claims will be allowed unless this Check is returned.

123497

.....1902.

Sold to.....

Register..... Ticket.....

Salesman. *Smith*

<i>1</i>	<i>Pocket Knife + X</i>	<i>1 00</i>

Fig. 1.—Sales Ticket, Recording Cash or Charge Sale.

amount of sales, serves as an infallible guide in determining the worth of employees who sell goods.

In the system it is necessary, first, that all goods should be marked with cost and selling prices, and it is important that the cost should include both freight and cartage. When a sale is made, either for cash or on credit, the sales ticket, Fig. 1, should show the cost price in characters; the selling price may be in plain figures. For example, when selling a Pocket Knife costing, say, 67 cents for \$1, the ticket should be as shown in Fig. 1. The cost mark may be any system

CASH TICKET.

Brown		Black		White	
Sales.	Cost.	Sales.	Cost.	Sales.	Cost.
June 1					
90	45	10	02	50	17
27	13	15	06	05	02
100	40	15	05	28	13
403	336	45	23	18	11
		75	39	30	12
		85	58	300	167
				60	24
				40	13
				30	10
620	434	245	133	561	269

Fig. 2.—Daily Record of Cash Sales and Costs of Each Salesman.

of cipher most acceptable to the dealer. At the end of the day the sales tickets are gathered by cashier,

Date <i>June 1-7</i> CHARGES.									
<i>Brown</i>					<i>Black</i>				
No.		No.		No.		No.		No.	
SALES.	COST.	SALES.	COST.	SALES.	COST.	SALES.	COST.	SALES.	COST.
133	79			197	127				
130	88			27	18				
500	422			442	270				
150	86			1075	718				
09	06			118	104				
				12	07				
4395	3164			2407	1686				
3910	2036			1716	1448				
[For Credit Deductions.]									
				189	121				
245	28	139	250	152	117				
245	126	139	250	341	238				

Fig. 3—Weekly Record of Charge Sales and Credit Deductions.

profit clerk, bookkeeper, or other person who may be assigned to this duty. The tickets are divided into

June 1896							
Brown				Black			
CASH.		CHARGE.		CASH.		CHARGE.	
SALES	COST	SALES	COST	SALES	COST	SALES	COST
1	6 20	4 34				2 45	1 33
2	7 14	3 63				17 32	12 47
3	6 27	4 58				1 05	62
4	3 27	2 63				00	00
5	1 91	1 26				00	00
6	2 25	1 20				00	00
	27 04	17 59				20 82	14 42
8	2 33	1 46				00	00
9	40	27				00	00

26	00	00				2 71	1 69
27	00	00				1 70	1 23
	18	45	00	00		30 32	18 13
29						5 44	3 72
30						32 58	21 10
Total	67 96	45 57	147 88	107 74		107 92	69 04
[Credit Book deductions]							
June 7	2 45	1 28	1 39	2 50	3 44	2 38	
• 14	00	00	00	00	00	00	
• 21	8 81	6 59	00	00	22 79	16 15	
• 30	00	00	00	00	00	00	

Fig. 4.—Record of Both Cash and Charge Sales for Each Day with Weekly and Monthly Footings.

groups, each salesman's by itself, and the footings of each ticket are transferred to books, as shown in Figs. 2 and 3, the first for cash and the other for charge sales. It will be seen by Fig. 2 that each division assigned to a salesman represents cash sales and accompanying costs, which when footed for the day are posted to another book, shown in Fig. 4.

In Fig. 3 two sets of columns are provided for each salesman, and a total of one week's business kept, when the items are footed and the credit deductions seen at the bottom of Fig. 3 taken from the gross amounts. For example, the items, \$2.45 sale and \$2.50 allowance, first and fourth columns, respectively, are deducted from the gross footing, \$43.95, leaving Brown's net sales \$39. The credit cost, \$1.28, is deducted from the gross cost, \$31.64, leaving \$30.36. The third column item, \$1.39, is a freight allowance, allowed by factory on a shipment direct from factory to customer, put there in a tentative way, to make the footings agree with those of the credit department. If, however, the freight item should be disallowed by the original seller, it would be transferred from the third to the fourth column, thus decreasing the amount representing salesman's profits.

In Fig. 4 we find the totals grouped by the month, the plan being to divide the weeks by the Sundays and the month in four parts. It thus follows that either the first or last week of each month will have more than six days.

This system will, we believe, be found simple and practical, and can be carried on at a moderate expense. Its utility is such that the house using it advise us that they would not give it up for ten times its cost.

Keeping Track of Shop Work.

It is obviously desirable to have a good business system relating to the shop which is often conducted with the Hardware store. To keep track of the different jobs properly such points as the following should be covered: Making the estimate, entering the order, material taken from and returned to the shop, material used in the work, workmen's time and wages, total cost, amount of profit on the job, rendering the bill, etc. Many shops are, however, conducted with methods exceedingly lax and imperfect, to the serious detriment of the interests of the business. This chapter is devoted to systems which cover a variety of work and have been found satisfactory in different establishments.

REPAIR SHOP METHODS.

The method first described applies to a business handling Bicycles and Bicycle Sundries, manufacturing a specialty on a small scale, putting Rubber Tires on Carriage Wheels, repairing Bicycles and Automobiles, and also repairing and sharpening Lawn Mowers. The office is in the salesroom, on the first floor of the building, where Bicycles and Sundries are kept. In the second story is a well equipped machine and repair shop, with modern facilities for carrying on the manufacturing and repair departments.

A job of Bicycle repairing is traced from the receipt of the order to its completion. The steps may be followed by referring to the illustrations, which are reproductions, reduced, of the tag and bill head.

Z

*dyed
to silver
7-18-a*

4443

July 17 1900

Name _____

Address *Combes Bros*

Albany

Machine _____

Repairs *1 Single wheel*

Phug time only

quoted 25¢

C

Deliver

To be done *3 Pm today*

BRING THIS CHECK WITH YOU.

ZACHARIAS & CO.

ASBURY PARK, N. J. 4443

Repairs Left Over 30 Days Subject to Storage.

Name *W R Combes*

Machine *1 Carriage wheel*

To be done *4 Pm July 17th*

NO CREDIT GIVEN ON REPAIRS.

Fig 1.- Order Tag (Reduced) Actual Size $3\frac{3}{8} \times 9$ Inches.

Taking the Order.

The tags are $3\frac{1}{8} \times 9$ inches in size, made of "tag stock," and are numbered consecutively when printed, being used in the order in which they are numbered. When an order for repairing is received, the details are written on a tag, as shown in Fig. 1, stating the work to be done, when the job is to be completed and the name of the party giving the order. The order under consideration became No. 4443. The work to be done was plugging a Bicycle Tire, and the job was to be delivered at 4 p. m. the same day. It is customary to mark the time on the upper portion of the tag, which goes to the shop, an hour earlier

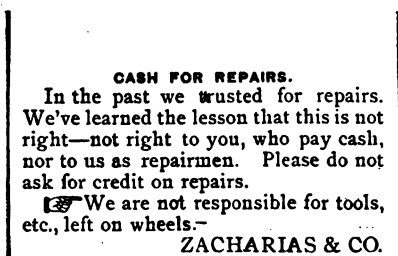


Fig. 2.—Reverse Side of Lower Portion of Tag.

than the job is promised, so as to insure its being completed on time; so this one was marked to be completed at 3 p. m. The salesman taking the order writes his name or initial in the upper right hand corner of the tag. In this case the initial was Z.

The Check.

The tag is perforated near the bottom, above the words, "Bring this check with you." The check is numbered the same as the tag, 4443, and is filled out with the

name of the person leaving the order, the name of the article and the time the job is to be completed. The check is torn off of the tag and is given to the customer, becoming a receipt for the article left to be repaired, and must be presented before the article repaired will be given to him.

Payment.

The reverse side of the check, given to the customer, is illustrated in Fig. 2. This states that it is expected repairs will be paid for in cash before being taken from the

75	July 17. 1900			
4440		50	02	
4441	220	10		
4442	50	02		
4443	25	04		

Fig. 3—Shop Book

store. Exceptions are made to this rule in some cases, with regular customers, but the notice forms a good basis for a refusal to those to whom the firm do not wish to extend credit.

A small blank blue tag is attached to the job when it is to be delivered by a messenger when completed.

The Shop.

On the second floor is the shop, which is reached by a staircase from the back of the store. The shop is accessible to no one, the members of the firm included, except by

pushing an electric button before ascending the stairs. Pushing the button releases the fastening of the shop door, and allows the person to enter upon his arrival at the head of the stairs.

The Article to be Repaired

is sent to the foreman of the shop, the large tag becoming his order for doing the work. On a standing desk in the shop is a book, a portion of a page being reproduced in Fig. 3. The lines are numbered by the foreman to correspond with the numbers on the tags, one line for each job. On the opposite side of the page are columns extending the length of the book. While a job is in the shop it is known by its number only, and not by the name of the person to whom the article belongs. This job was entered by the foreman on one of the lines and numbered 4443, as shown in Fig. 3.

In the Workman's Hands.

The job is then turned over to one of the workmen by the foreman, with a small light colored tag attached to the large one. The workman stamps, on the small tag, with a time stamp, the hour and minute when he begins work on the job, also the time when the job is completed.

"The Answer."

The reverse side of the large tag is shown in Fig. 4, and is known as "the answer." On this the workman enters the work done, the time consumed and the date. By reference to Fig. 1 it will be seen that 25 cents was quoted the customer when the order was received, so that no time is entered on "the answer" in this instance. Usually the time is entered on "the answer," with the material used.

When the Job is Completed

the tags are turned over to the foreman, and he enters on the book, in the first column, opposite the job number, the

○	
Axle.....	
Ball Cases.....	
Balls, Sterl.....	
Cones, Adj.....	
" Sta.....	
Chain.....	
Handle Bars.....	
Hub.....	
Nut.....	
Nipples.....	
Rim.....	
Shoe.....	
Spokes.....	
Tires <i>1 ply</i>	
Tube.....	
Washer.....	
Miscellaneous.....	
Time <i>no m</i>	
Finished by <i>al</i>	
Date <i>July 18th</i>	<i>1900</i>

Fig. 4.—Reverse Side of Order Tag.—“The Answer.”

amount to be charged the customer, and in the following column the cost of the material used.

The Schedule.

The amount to be charged a customer for any job done is obtained from a typewritten schedule of prices, suspended above the foreman's desk, unless a price has been quoted the customer. The schedule has been made up as the result of experience, and includes the cost of material, labor and the profit to be made. The foreman stamps the large letter C on the tag, Fig. 1, to indicate that he has made the proper entries on the tag and book.

The Record.

The job, with the large tag still attached, is now returned to the salesroom, after which the job is known by the name of the customer, the number being used to trace the job, if necessary. Each transaction is settled either by cash in advance or upon completion; or cash received through a ledger account. There are some jobs, however, for which no cash is received. An autograph register located on the counter conveniently near the front of the store is used for making a record of the transactions. On the right of the register slip, a portion of which is shown in Fig. 5, are parallel columns. In the first column is entered money received through ledger accounts, in the second cash received from sales or jobs and in the third cash paid out.

Should a customer pay for a job in advance or upon completion, the amount is entered upon the register in the proper column, preceded by the order number, and the cash is sent to the office by cash carrier system. The salesman receiving the cash enters upon the upper left hand corner of the tag the words, "paid and entered," followed by his initial and the date. He also puts his initial on "the answer" after the words, "finished by."

Bill Heads.

In Fig. 6 is reproduced, in reduced size, a bill head, two of which are printed on the same sheet, with holes in the left hand margin to permit their being filed in a binder. The bill heads are in pad form, with sheets of thin yellow paper between them to receive a carbon copy. This pad is kept on a desk near the autograph register, the bill

10.30 am July 18 1900				
Bicycle Bell 16			35	
# 4441	—		220	
Golf Balls	—			12
On lease H. Percy	500			
# 4443 charged				

Fig. 5.—Register Slip.

heads taking the place of an ordinary blotter on which to charge goods. The printing on the yellow sheets corresponds with that on the bill heads.

The Charge.

When a job is to be charged, as in the case with the job under consideration, the number of the job is entered instead of the detailed items of the job, as shown in Fig. 6.

Fig. 6.—Bill Head (Reduced). Actual Size $4\frac{1}{2} \times 9\frac{3}{4}$ Inches.

If it is necessary any time in the future to look up the items, they can be found on the tag, referring to it by the name of the customer, in the office. A memorandum is made on the bottom of the bill of the messenger's name who delivered the job. The charge is then entered upon the autograph register, Fig. 5, by number, with the word "charged" after the number, but the amount is not extended. The salesman then writes "charged and entered" in the upper left hand corner of the tag, with his initial and date, as in Fig. 1, and places his initial after "finished by" on "the answer," as in Fig. 4. All tags for the day are kept on the register desk, until the close of business.

Bookkeeping.

The following morning the bookkeeper takes the register slip for the previous day, also the made out bills from the pad, and, with the register slip as a guide, posts the charges from the bills direct to the ledger, by the job number, with the binder folio. The binder folio and ledger folio are both marked in the upper right hand corner of the bill head, as shown in Fig. 6. The bills and carbon copy are then put in a binder, and kept in the office as a permanent record. When a bill is paid the carbon copy is receipted and given the customer.

Firm's Private Book.

The tags are entered by a member of the firm in a private book, in which numbers corresponding to those on the tags have previously been stamped consecutively, one number to a line. This book is designed as a check on the shop and salesmen. Should one of the tags be missing or lost, it would be detected by the vacant line on the book, and the cause would be investigated.

Filing Tags.

A case, with pigeon holes large enough to accommodate the tags lengthwise, lettered alphabetically, is secured to the wall in the office at a sufficient height to be conveniently reached. The tags are placed in the pigeon holes for future reference, after having been entered in the private book, being arranged according to the first letter of the customers' names.

Settling Disputes.

By this system, should a customer raise any dispute regarding the charge made for a job, the work done, material used, or about any other point, the tag upon which the job is recorded tells the story. This shows the order as given the salesman by the customer, the fact that the foreman has passed upon the correctness of the charge, and the identity of the salesman who charged and entered the job.

If the claim is made that the job was never delivered to the customer, reference to the bill shows who delivered it.

The private book detects carelessness or collusion between salesmen and shop.

The record of each job—the tag—is kept in a form and in a place convenient for reference.

The system can obviously be applied to jobs of any character.

PLUMBING, STEAM FITTING, TINSMITH WORK, ETC.

The following system of keeping track of jobs is in use in an establishment where in addition to the sale of General Hardware a shop is conducted in which plumbing, steam fitting and general tinsmith work is done.

The following description illustrates the method pursued, tracing two jobs to their completion; one of plumbing work, putting in bath and closet, and the other a comparatively simple piece of work done in the shop. A record of each of these jobs is shown complete, and every step may be followed by referring to the illustrations, which are reproductions in reduced form of the cards, slips, etc., used in the system.

Plumbing Job No. 7399.

When a job is to be figured on, the estimate blank Fig. 7 is used. This blank or card is of heavy manila paper $7\frac{1}{8} \times 8$ inches in size.

When the job is awarded the order card, Fig. 8, is made out, giving the number of the job, which in this case was No. 7399.

The order card is of heavy cardboard $4\frac{1}{8} \times 7$ inches. The back of this card as originally prepared was used for report of stock and time, but the card is now used only to make a minute of the job when it comes into the store and to keep track of its number. This card is handed to a workman, giving the number of the job and instructions. It will be seen that the same job number is used on all cards and slips relating to the same job.

With the order card, Fig. 8, the workman receives the estimate card, Fig. 7, which is taken to the stock house, and stock for the job is gotten out in accordance with the estimate card.

Use of Charge Slip.

The workman doing the job charges on slips like those shown in Figs. 9, 10 and 11 all the stock he takes out, writing his initials after the words "Ordered by," and

STOCK.		STOCK.	
		3930	
1. Water Closets,	1500	50 ft. 4 in. Soil Pipe, S. H., . . .	1000
#30 3/4" In. Down,		10 ft. 4 in. Soil Pipe, D. H., . . .	300
1. Bath Tub, 4 1/2" "Success", . . .	780	2 in. Soil Pipe, S. H., . . .	
1. Bath Cock, #4 1/2"	300	2 in. Soil Pipe, D. H., . . .	
1. Bath Trap and Plug, Ideal, . . .	125	3-4 in. Soil Pipe, Ys., . . .	180
Marble Sash,		6-4 in. Soil Pipe Bends, . . .	225
Wash Basins,		4 in. Soil Pipe T. and Y., . . .	
Basin Cocks,		2 in. Soil Pipe, Ys., . . .	
Basin Plugs,		10 in. Soil Pipe Bends, . . .	
Basin Straps,		8 in. Soil Pipe, T. and Y., . . .	
Storage Boilers and stands, . . .			
Shower Valves,		25 3-4 Galv. Iron Pipe, . . .	200
1. Sink Traps "Sanitool" #12 . . .	100	20 1-2 Galv. Iron pipe, . . .	140
Sink Traps "Steel",		3-3-4 Galv. Iron Elbs., . . .	18
Sink Elbs. "Hose",		2-1-2 Galv. Iron Ts., . . .	20
Sink Elbs. "Hose",		6-1/2" "Elle",	30
1. Brass Thimbles, Raymond, . . .	25	1-2 Keystone Unions, . . .	
Soldering Nipples,		3-4 Keystone Unions, . . .	
1-4 inch Brass Clean-outs, . . .	50		
2 inch Brass Clean-outs, . . .		10'-2" Vent,	60
60 Calking Lead,	300	4-2" " " Elle,	40
7 Sheet Lead,	49		
1-3-4 inch S. and W.,	75		
1-2 inch S. and W.,			
5 Solder,	150		
5 Putty,	25		
2 Oakum,	16		
1 Lead Pipe,	200		
2 Gasoline,	40		
3 4 inch Soil Pipe Hangers, . . .	30		
2 inch Soil Pipe Hangers, . . .			
Tinned Pipe Straps,	25		
1-4" Long Lead Band,	100		
1-4x4 Raymond Rivets,	40		
	3930	4 Days Labor Plumber, . . .	2000
		4 Days Labor Helper, . . .	
		Total,	2000
			81.43

Fig 7.—Stock Card Used in Making Estimate (Reduced). Actual Size 7 1/8 x 8 In.—

gives them to the teamster to deliver the stock where the job is to be done. The stock is then checked off by the teamster, who writes his initials after the words "Put up by," and turns the cards into the office. Figs. 9, 10 and 11 show all stock taken out on the three successive days. The size of the charge slips is $3\frac{7}{8} \times 7\frac{3}{4}$ inches.

Credit Slips.

If any stock is returned from the job as not used it is entered by the workman on the credit slips ($3\frac{7}{8} \times 7\frac{3}{4}$

Job No. <u>7399</u>	E. A. Burbank	Order No. _____
Order and Report.		
Berlin, N. H.,		<u>June, 20 - 1900</u>
Mr. <u>Moffett,</u>		
Job <u>Put in Bath + Closet.</u>		
Charge to <u>Witchell + Holt.</u>		
REMARKS.		
<u>Leave 4" Branch in Basement to take</u>		
<u>clock later - and connect up Sink -</u>		
Ordered by <u>E. O. Holt,</u>		

Fig. 8.—Order Card (Reduced). Actual Size $4\frac{7}{8} \times 7$ Inches.

inches), as shown in Fig. 12. The charge and credit slips are of ordinary weight writing paper.

Before the prices are extended the stock returned is deducted and the extensions are made for the quantity actually used. Thus in Fig. 9, 50 feet of 4-inch pipe was turned over to the workman, but only 45 feet was used, 5 feet being returned to the stock. The 50 feet is accord-

E. A. BURBANK.

No Stock to be taken from Store until properly charged.

#1- **CHARGE.**

Berlin, N. H., June 20 1900

40'	4" S.H. Pipe-	6.75
10'	4" S.H. "	1.80
3.	4" $\frac{3}{8}$ "	1.08
4.8	4" Flange	.92
26	Calking Lead-5"	2.00
7 1/2	Sheet Lead-6"	.47
1 1/2	2" Oakum.	.06
2 gal	Gasoline - 12.	.24
28	4" Hangers - 10	.20
1.	4" Chain Out.	.32
		<u>13.84</u>

Charge, Job No. 7399

Ordered by W.H.M.

Put up by B.

Fig. 9—Charge Slip (Reduced).
Actual Size $3\frac{7}{8} \times 7\frac{3}{4}$ Inches.

E. A. BURBANK.

No Stock to be taken from Store until properly charged.

#2- **CHARGE.**

Berlin, N. H., June 21 1900

1.	30 P. Lino Down-	#13.50
1.	4 1/2" Success Sub	6.15
1.	4 1/2" Fuller Cook-	2.15
1.	Steel Band Trip-	.90
1.	" Sinks "	12.72
1.	2x1 1/2 Flange-	.14
1.	3/4 Stop & Waste.	.50
4 1/2	Solder- 22"	.94
1.	4" Long Lead Band.	.60
1.	4x4 Raymond Band.	.22
		<u>25.82</u>

Charge, Job No. 7399

Ordered by W.H.M.

Put up by B.

Fig. 10.—Charge Slip (Reduced).
Actual Size $3\frac{7}{8} \times 7\frac{3}{4}$ Inches.

E. A. BURBANK.

⚡ No Stock to be taken from Store until properly charged.

#3 CHARGE.

Berlin, N. H., June 22-1890

24			
28'	$\frac{3}{4}$ Gelv.	07	1.68
18'	$\frac{1}{2}$ "	06	1.08
3 lbs.	Gelv.	15	45
10' - 2"	Went	5	.50
4 - 2"	Went Ells.	6	24
			\$39.00

Charge, Job No.

7399

Ordered by.

uzhni.

Put up by.

13.

E. A. BURBANK.

No Stock to be taken from Store until properly charged.

CREDIT.

Berlin, N. H., June 23-1890

~~4" S.H. Pipe =~~
~~4" Bands -~~
~~10th Calking lead~~
~~1/2" Galv.~~
~~1/2" Oakum~~
~~X Pipe Hanger~~

CREDIT

7399

Ordered by:**Put up by**

B.

Fig. 11. Charge Ship (Reduced).
Actual Size $3\frac{7}{8} \times 5\frac{3}{4}$ Inches.

*Fig. 12.—Credit Slip (Reduced).
Actual Size 3 7/8 x 7 3/4 Inches.*

ingly erased and 45 substituted, and the charge made for this quantity. The three charge slips thus show that the price of stock used in the job was \$43.61.

Time Cards.

The time cards ($3\frac{3}{8} \times 5\frac{1}{2}$ inches), Figs. 13 and 14, which are the cards of the first and last day's work on the

E. A. BURBANK'S TIME CARD.		
<i>6/20 1900</i>		
<i>W. H. Moffatt</i>		Workman.
JOB NUMBER.	HELPER.	Time in Hours
<i>7399-</i>	<i>A. B.</i>	<i>10</i>
SHOP.	HOW EMPLOYED.	
Total Time,		<i>10</i>
Card must be filed at close of each working day.		

Fig. 13.—Time Card (Reduced). Actual Size $3\frac{3}{8} \times 5\frac{1}{2}$ Inches.

job, are of heavy cardboard. The time cards for June 21 and 22 are precisely the same as that for June 20, which is shown in Fig. 13, the whole ten hours having been devoted to the job, and it is, therefore, unnecessary to re-

produce them here. Workmen are required to turn in one of these cards each day, with the record of their time and the numbers of the jobs on which they have been employed. In doing the job under review the time cards for the four days show that 38 hours were put on the job (*i. e.*, ten hours on three days, June 20, 21 and 22, and

E. A. BURBANK'S TIME CARD.		
<div style="text-align: right;">4/23 1900</div> <div style="text-align: center;">W. H. Moffitt. Workman.</div>		
JOB NUMBER.	HELPER.	Time in Hours
7399	G. F. R.	8
7400		1
SHOP.	HOW EMPLOYED.	
Total Time,		9
Card must be filed at close of each working day.		

Fig. 14.—Time Card (Reduced) Actual Size $3\frac{3}{8} \times 5\frac{1}{2}$ Inches.

eight hours on one day, June 23), besides one hour on job No. 7400, referred to in Fig. 14.

Charging Up the Job.

When the job is completed the bookkeeper deducts from the charge slips, Figs. 9, 10 and 11, any stock re-

turned from the job, using the credit slip, Fig. 12, as a guide, crossing out the original quantity and substituting the quantities actually used, as already referred to. This is done before the extensions are made on slips, Figs. 9, 10 and 11. He then enters on the charge card, Fig. 15, which is of manila cardboard, the quantity of stock used, as shown by the charge slips, and the charge for labor taken from the time cards. Stock and labor are then credited with the proper amounts on the books. The reverse side of the charge card, Fig. 15, is printed as shown in Fig. 21, and receives the same record as is put on the envelope shown in Fig. 16.

Journal Entry.

As this work is done by contract only a simple entry is to be made in the journal, the customer being charged with \$81.43.

Filing Records.

After everything has been charged all the cards and slips pertaining to the job are inclosed for future reference in an envelope, Fig. 16, which is of heavy manila paper, $4\frac{1}{4} \times 9\frac{1}{2}$ inches. They are thus convenient in case anything relating to the job is disputed in settlement. The envelope is filed away in a drawer, which will receive it standing on end. An index is kept of the different jobs to facilitate finding them in the drawer. This may be in a book, but a card index, such as can be bought for about \$1.50 to \$2.50, is regarded as preferable.

Job No. 7396.

This job was done in the shop and its course may be followed by reference to Figs. Nos. 17 to 22. It consisted of the making of a Galvanized Iron Pan. The same sys-

CHARGE.			
Charge Slip #	1	13 84	
" " #	2	25 82	
" " #	3	39 5	
Credit to Stock		* 43 61	

Date	Workman	HOURS	Rate	Amount
6/20	W. H. M.	10 -	37½ ^c	375-
6/21	W. H. M.	10 -	37½ ^c	375-
6/22	W. H. M.	10 -	37½ ^c	375-
6/23	W. H. M.	8	37½ ^c	300
Credit to Labor		38 -	37½ ^c	14 25
				* 57 96

Fig. 15.—Charge Card (Reduced). Actual Size 4¼ x 9½ Inches.

Job No.	7397
For	Ditchell & Holt.
Street	78, High St.
DESCRIPTION OF WORK.	
Plumbing -	
Workman	W. H. M.
Helper	G. F. B.
Work began	June 20-1900
Work finished	" 23-1900
Contract	yes
Day Work	
Estimate	\$81.43
Total Cost	\$117.10
REMARKS:	
J. L. Figure \$85.00	
B. V. B. " \$83.75	

Fig. 16.—Envelope for Filing (Reduced). Actual Size $4\frac{1}{4} \times 9\frac{1}{2}$ Inches.

tem of cards, slips, etc., is used as for the plumbing job described above, with the exception of credit card, Fig. 12, and the card on which the job is figured.

Order Card

Fig. 17 represents the order card and contains directions for making the Pan, with a sketch of the same for the information of the tinner.

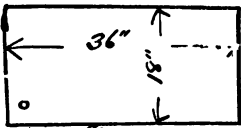
Job No. 7396	E. A. Burbank	Order No. _____
Order and Report.		
Mr. <u>L. F. G.</u>	Berlin, N. H.,	<u>June 20 1900</u>
Job <u>Make Pan</u>	<u>Wanted tonight</u>	
Charge to <u>E. A. Black.</u>		
<div style="display: flex; align-items: flex-start;"> <div style="flex: 1;">  </div> <div style="flex: 2;"> <p>REMARKS.</p> <p><i>Make Pan #26 Galv. Iron. 3" deep. Wire top with 1/4" Rod and put 1" Lead Pipe for drain 6" long.</i></p> </div> </div>		
Ordered by <u>E. A. B.</u>		

Fig. 17.—Order Card (Reduced). Actual Size $4\frac{1}{8} \times 7$ Inches.

The Charge Slip.

Fig. 18 shows the stock used, which amounts in value to 67 cents.

Time Card.

The time card, Fig. 19, indicates that two hours' labor was expended on the job, and at the same time tells how the rest of the workman's day was spent.

Charge Card.

These items of material and labor taken from the charge slip and time card are entered on the charge card, Fig. 20.

E. A. BURBANK'S		
TIME CARD.		
June 20 1908		
L. D. Brown		Workman.
JOB NUMBER.	HELPER.	Time in Hours
7396-		2
7397	Suby	4
7398-		2
SHOP.	HOW EMPLOYED.	
Making Stone Pipes -		
for Stone -		2
Total Time,		10
Card must be filed at close of each working day.		

Fig. 19.—Time Card (Reduced). Actual Size $3\frac{3}{8} \times 5\frac{1}{2}$ Inches.

Record of Job.

On the reverse side of the charge card referred to, which is shown in Fig. 21, a record of the work is given, which shows that \$1.37 is to be charged for the Pan.

Filing.

These cards are placed in an envelope, Fig. 22, and filed in a drawer when the job has been paid for or charged.

CHARGE.				
<i>8½*</i>	<i>26 Febr. Jan</i>			<i>51</i>
	<i>¼ Rod.</i>			<i>06</i>
	<i>Solder etc.</i>			<i>10</i>
Credit to Stock				<i>67</i>

Date	Workman	Hours	Rate	Amount
<i>4/20</i>	<i>L. F. G.</i>	<i>2</i>	<i>35¢</i>	<i>70</i>
Credit to Labor				<i>70¢</i>

Fig. 20.—Charge Card (Reduced). Actual Size $4\frac{1}{4} \times 9\frac{1}{2}$ Inches.

Job No.	<u>7396</u>
For	<u>E. A. Black</u>
Street	_____
DESCRIPTION OF WORK.	
	<u>Make Paw.</u>

Workman	_____
Helper	_____
Work began	<u>June 20-1900</u>
Work finished	<u>" " "</u>
Contract	_____
Day Work	<u>yes</u>
Estimate	_____
Total Cost	<u>\$137</u>
REMARKS:	

Fig. 21.—Reverse Side of Charge Card (Reduced). Actual Size
 $4\frac{1}{4} \times 9\frac{1}{2}$ Inches.

Job No.	7396
For	L. A. Black
Street	
DESCRIPTION OF WORK.	
	Make Paw.
Workman	L. F. G.
Helper	
Work began	June 20-1900
Work finished	" " "
Contract	
Day Work	Yes.
Estimate	
Total Cost	
REMARKS:	
	Promised to night.

Fig. 22.—Envelope (Reduced), Containing Record of the Job. Actual
Size $4\frac{1}{4} \times 9\frac{1}{2}$ Inches.

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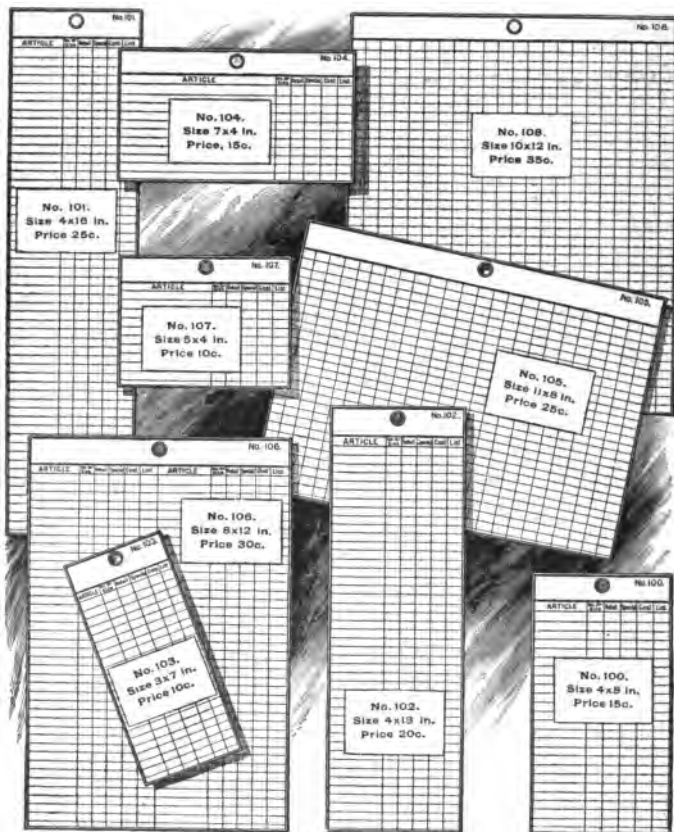
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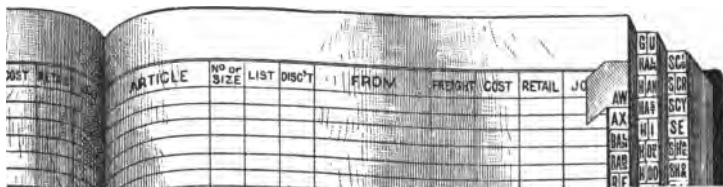
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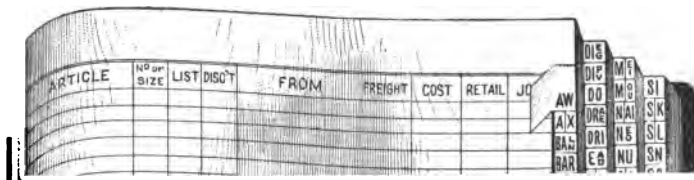
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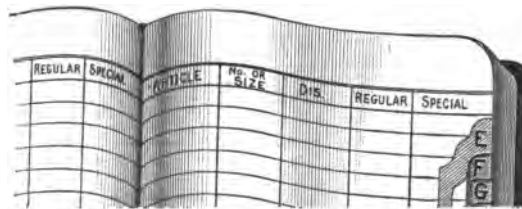


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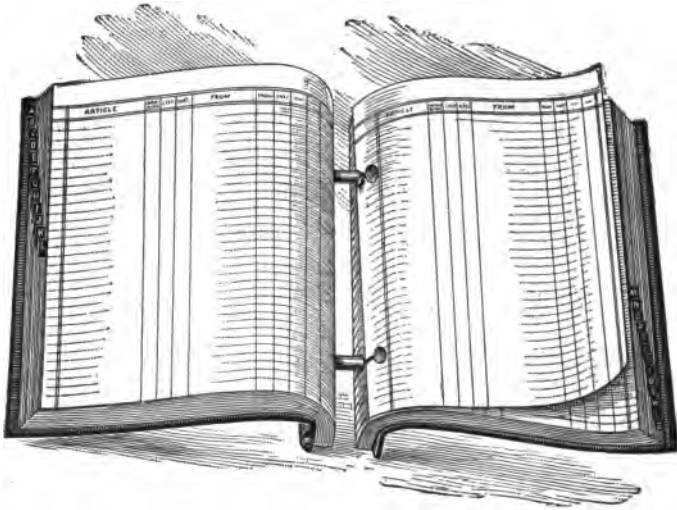


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